

2016

## Workforce Development Act (1996): Conference Proceeding 01

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## H.R. 1617 CONFERENCE

### GENERAL

#### *Short Title*

1. The House bill is referred to as the CAREERS Act. The Senate amendment is referred to as the Workforce Development Act of 1995.

The House recedes with an amendment inserting "The Workforce and Career Development Act of 1996."

#### *Table of Contents*

2. Both the House bill and the Senate amendment contain a table of contents.

Legislative counsel.

#### *Findings*

3. The Senate amendment provides findings on the failures of the existing Federal job training system. The House bill contains no findings, except those for title IV, Adult Education and Literacy Programs. (See next Note.)

The Senate recedes.

3a. The House bill provides findings on the importance of improving literacy.

The House recedes.

#### *Purpose*

4. The House bill provides one purpose for the Act -- to transform existing programs into a more effective system. The Senate amendment contains three purposes: (1) to create statewide

workforce development systems, (2) to improve skills, and (3) to promote economic development.

The Senate recedes with an amendment inserting "The purpose of this Act is to transform the vast array of Federal workforce development and literacy programs from a collection of fragmented and duplicative categorical programs into streamlined, coherent and accountable statewide systems designed to develop more fully the academic, occupational and literacy skills of all segments of the population and to meet the competitiveness needs of employers of the United States.

4a. The House bill contains additional purposes for the youth development and career preparation, adult employment and training, and adult education and literacy titles.

The House recedes.

#### *Authorizations*

5. The House bill provides authorizations of (1) \$2,324,600,000 for the youth development grant, (2) \$2,183,000,000 for the adult training grant, and (3) \$280,000,000 for the adult education and literacy grant. The Senate amendment provides for an authorization of \$5,884,000,000 for workforce development for fiscal year 1996 and 1997 (which includes funds made available under the Wagner-Peyser Act). The Senate amendment also provides for an authorization of \$2,100,000,000 for Job Corps and at-risk youth, and \$500,000 for transition to the Federal Partnership.

#### **HOLD**

Senate Offer: Single authorization of \$6 billion for fiscal year 1998.

5a. The House bill authorizes funds from fiscal year 1997-2002. The Senate amendment authorizes funds from fiscal year 1998-2001, except that for fiscal years 1996 and 1997, \$500,000 is authorized for the National Board.

The Senate recedes with an amendment to authorize an amount for fiscal year 1998 and "such sums" for fiscal years 1999-2002.

6. Both the House bill and the Senate amendment provide for program years beginning on July 1 each fiscal year.

The House recedes.

7. Both the House bill and the Senate amendment allow funds obligated for any program year to be expended by the recipient during the program year and 2 years thereafter. However, the House bill requires the Secretary to reallocate a portion of the unexpended funds. Under the Senate amendment, no amount can be deobligated if the rate of expenditure is consistent with the State's plan.

The House recedes with an amendment inserting "(2) ADMINISTRATION. -- Funds obligated for any program year for employment and training activities may be expended by each recipient during the program year and the 2 succeeding program years."

#### *Definitions*

8. The House bill, but not the Senate amendment, includes a definition of "administration," which applies only to the youth grant.

The House recedes.

9. Both the House bill and the Senate amendment definitions of "adult" differ in the calculation of age and whether or not an individual is required to be enrolled in a secondary school. In addition, the Senate amendment's definition of "adult" applies only to the definition of adult education programs.

The House and Senate recede.

10. The House bill and the Senate amendment have similar definitions of "adult education," but the House bill includes in the definition instruction for adults who are not enrolled or not required to be enrolled in school and who lack mastery of basic skills.

The Senate recedes with an amendment inserting

"The term "adult education" means services or instruction below the postsecondary level for individuals who --

(A) has attained 16 years of age, or is beyond the age of compulsory school attendance under State law (whichever age is higher), and who is not enrolled or required to be enrolled in secondary school"; keep Senate paragraphs "(B)" and "(C)"; and insert "(D) who lack a mastery of basic skills and are therefore unable to speak, read, or write the English language."

11. The House bill, but not the Senate amendment, includes a definition of "all aspects of the industry," which applies only to the youth grant.

The Senate recedes with amendment inserting "means strong experience in, and comprehensive understanding of, the industry that individuals are preparing to enter."

12. The Senate amendment, but not the House bill, defines "appropriate Secretary" to mean either the Secretary of Labor, the Secretary of Education, or both Secretaries acting jointly.

The House recedes.

13. Both the House bill and the Senate amendment include similar definitions of "area vocational education school." The Senate amendment includes technical institutes or vocational schools, but only if the institute or school admits both individuals who have finished secondary school and who have left secondary school. The House bill requires that the department or division of a junior college, community college, or university operate under the

policies of the State board.

The Senate recedes with an amendment striking "State board" in paragraph "(D)" and inserting "eligible agency."

14. The House bill, but not the Senate amendment, includes a definition of "articulation agreement," which applies only to the youth grant.

The House recedes.

15. The House bill and the Senate amendment differ in the definition of "at-risk youth". For example, the House bill defines "at-risk youth" as including both out-of-school and in-school youth. The Senate amendment defines "at-risk youth" in terms of low income.

The House recedes with an amendment inserting

The term "at-risk youth" means an individual who --

(A) is not less than age 15 and not more than age 21; and

(B) is low-income which means an individual who --

(1) receives, or is a member of a family which receives cash welfare payments under a Federal, State, or local welfare program;

(2) has, or is a member of a family which has, received a total family income for the 6-month period prior to application for the program involved (exclusive of unemployment compensation, child support payments, and welfare payments), which meet the poverty guidelines updated annually in the Federal Register by the U.S. Department of Health and Human Services under authority of section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)), or is 70 percent of the lower living standard income level; or

(3) is receiving (or has been determined with the 6-month period prior to the application for the program involved to be eligible to receive) food stamps pursuant to the Food Stamp Act; and

© is one or more of the following:

1. a school drop-out;
2. homeless, runaway or a foster child;
3. pregnant or parenting;
4. an offender; or
5. an individual who requires additional education, training, counseling, or related assistance in order to participate successfully in regular school work or to complete an educational program or secure and hold employment.

15a. The Senate amendment also defines "at-risk youth" for the purposes of the Job Corps and at-risk youth title.

The Senate recedes.

16. The House bill, but not the Senate amendment, includes a definition of "career grant."

The Senate recedes with an amendment inserting "The term "career grant" means a voucher or a credit issued to a participant under section\_\_\_\_ pertaining to employment and training activities, for the purchase of such services from certified providers."

17. The House bill, but not the Senate amendment, includes a definition of "case management."

The House recesses.

18. The House bill and the Senate amendment include similar definitions of "chief elected official," except that the House bill refers to workforce development areas and the Senate amendment refers to substate areas.

The Senate recesses.

19. The House bill and the Senate amendment include similar definitions of "community-based organization." However, the Senate bill requires the organization to have demonstrated effectiveness and to provide workforce development activities. The House bill lists the activities.

The House recesses, with an amendment striking all after "community" on line 5. (Manager's Language regarding the effectiveness of cbo's -- Mary to draft)

20. The House bill, but not the Senate amendment, includes a definition of "comprehensive career guidance and counseling."

The Senate recesses with an amendment striking "comprehensive" in the title; inserting "(D) with respect to minors, includes involvement of the parent to the extent practicable."

21. The House bill, but not the Senate amendment, includes a definition of "cooperative education," which applies only to the youth grant.

The Senate recesses.

22. The House bill, but not the Senate amendment, includes a definition of "correctional education agency," which applies only



to the adult education and family literacy grant.

The House recesses.

23. The House bill, but not the Senate amendment, includes a definition of "corrections vocational education," which applies only to the youth grant.

The House recesses.

24. The Senate amendment, but not the House bill, includes a definition of "covered activity," (programs repealed or amended under this Act).

Legislative counsel.

25. The House bill, but not the Senate amendment, includes a definition of "curricula," which applies only to the youth grant.

The House recesses.

26. The House bill, but not the Senate amendment, includes a definition of "demographic characteristics."

The House recesses.

27. The House bill and the Senate amendment have similar definitions of "dislocated worker." However, the Senate amendment includes in the definition a displaced homemaker and an individual unemployed as a result of Federal action limiting the use of marine natural resources.

The Senate recesses with an amendment to take House language (A) through (D), striking in © "including an older individual who may have substantial barriers to employment by reason of age" and insert (E) and (F) of the Senate amendment. (Manager's language to be drafted by Mary)

28. The House bill and the Senate amendment contain different definitions of "displaced homemaker." For example, the House bill includes in the definition an adult dependent on public assistance or a parent whose youngest dependent child is ineligible for assistance. The Senate amendment's definition requires the Federal Partnership to determine guidelines solely for individuals who were full-time homemakers previously receiving financial support.

The Senate recedes with an amendment striking paragraph "(B)(ii)" and striking in paragraph "(B)(iii)" "title II of this Act" and inserting "this title."

29. The House bill, but not the Senate amendment, includes a definition of "earnings."

The House recedes.

30. The Senate amendment, but not the House bill, includes a definition of "economic development activities."

The Senate recedes.

31. The House bill, but not the Senate amendment, includes a definition of "economic development agencies."

The House recedes.

32. The House bill, but not the Senate bill, includes a definition of "economically disadvantaged."

The Senate recedes with an amendment inserting

"LOW-INCOME INDIVIDUAL. -- The term low-income individual means an individual who --

(A) receives, or is a member of a family which receives, cash

welfare payments under a Federal, State, or local welfare program;

(B) has, or is a member of a family which has, received a total family income for the 6-month period prior to application for the program involved (exclusive of unemployment compensation, child support payments, and welfare payments) which meet the poverty guidelines updated annually in the Federal Register by the U.S. Department of Health and Human Services under authority of 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)), or is 70 percent of the lower living standard income level;

© is receiving (or has been determined within the 6-month period prior to the application for the program involved to be eligible to receive) food stamps pursuant to the Food Stamp Act of 1977;

(D) qualifies as a homeless individual under subsection (a) and © of section 104 of the Stewart B. McKinney Homeless Assistance Act;

(E) is a foster child on behalf of whom State or local government payments are made; or

(F) in cases permitted by regulations of the Secretary, is an individual with a disability whose own income meets the requirements of subparagraph (A) or (B), but who is a member of a family whose income does not meet such requirements."

33. The House bill and the Senate amendment include similar definitions of "educational service agency." However, the House bill provides that an educational service agency be recognized as an administrative agency for vocational education.

The House recesses.

34. The House bill, but not the Senate amendment, includes a definition of "educationally disadvantaged adult," which applies only to the adult education and family literacy grant.

The House recesses.

35. The Senate amendment, but not the House bill, includes a definition of "elementary school; secondary school." In addition, the Senate amendment includes a definition of "local educational agency." (See Note 52 for the comparable House definition of local educational agency.)

The House recesses with an amendment striking definition of "elementary school and local educational agency."

36. The House bill, but not the Senate amendment, includes a definition of "eligible institution," which applies only to the youth grant.

The Senate recesses with an amendment striking "intermediate" and inserting "service" between "educational agency". (This definition only applies to vocational education.)

37. The House bill, but not the Senate amendment, includes a definition of "employed."

The House recesses.

38. The House bill, but not the Senate amendment, includes a definition of "English literacy program."

The Senate recesses with an amendment inserting "English literacy program" means a program of instruction designed to help individuals of limited English proficiency achieve full competence in the English language.

39. The House bill, but not the Senate amendment, includes a definition of "excess number."

The House recesses -- pending formula

40. The House bill, but not the Senate amendment, includes a definition of "family and consumer sciences."

The Senate recesses.

41. The House bill, but not the Senate amendment, includes a definition of "family literacy services," which applies only to the adult education and family literacy grant.

The Senate recesses.

42. The Senate amendment, but not the House bill, includes a definition of "Federal Partnership."

The Senate recesses

43. The Senate amendment, but not the House bill, includes a definition of "flexible workforce activities."

Legislative counsel.

44. The House bill, but not the Senate amendment, includes a definition of "Governor."

The House recesses.

45. The House bill, but not the Senate amendment, includes a definition of "individual of limited English proficiency."

The Senate recesses with an amendment striking adult or youth to "individual"

46. The House bill and the Senate amendment include a definition of "individuals with disabilities." The Senate amendment also includes a definition of "individual with a disability." The House bill refers to the Rehabilitation Act of 1973, the Senate amendment refers to section 3 of the Americans with Disabilities Act of 1990.

The House recesses.

47. The House bill, but not the Senate amendment, includes a definition of "institution of higher education." (See Note 36 for a definition of "eligible institution.")

The House recesses.

48. The House bill, but not the Senate amendment, includes a definition of "job search assistance."

The House recesses. (Manager's language to be drafted by Brian Kennedy)

49. The House bill, but not the Senate amendment, includes a definition of "labor market area."

The Senate recesses with an amendment striking second sentence.

50. The House bill, but not the Senate amendment, includes a definition of "library." However, the Senate amendment includes definitions of "library consortia," "library entity," and "public library" in the provisions pertaining to Museums and Libraries. (See Note 550a)

The House recesses.

51. The House bill, but not the Senate amendment, includes a definition of "literacy."

The Senate recesses.

52. Both the House bill and the Senate amendment, include the same definition for "local educational agency." (See Note 35 for the comparable Senate definition)

The Senate recesses.

53. The Senate amendment, but not the House bill, includes a definition of "local entity."

Legislative counsel.

54. The Senate amendment, but not the House bill, includes a definition of "local partnership."

The Senate recesses.

55. The House bill, but not the Senate amendment, includes a definition of "migrant farmworker."

The House recesses.

56. The Senate amendment, but not the House bill, includes a definition of "National Board."

The Senate recesses.

57. The House bill, but not the Senate amendment, includes a definition of "Native American." However, the Senate amendment includes definitions of "Indian," "Alaska Native," and "Native Hawaiian" in the provisions pertaining solely to Indian workforce development activities in section 107. (See Note 422)

The House recesses.

58. The House bill, but not the Senate amendment, includes a definition of "nontraditional employment."

The Senate recesses with an amendment striking "as applied to women" and striking "women" and inserting "one gender".

59. The House bill, but not the Senate amendment, includes a definition of "on-the-job training."

The Senate recesses with an amendment striking "(C)" and inserting "is limited in duration as appropriate to the occupation for which the individual is being trained."

60. The Senate amendment, but not the House bill, includes a definition of "outlying area." (See related Note 76)

The House recesses.

61. The Senate amendment, but not the House bill, includes a definition of "participant."

The Senate recesses.

62. The House bill, but not the Senate amendment, includes a definition of "partnership," which applies only to the youth grant.

The House recesses.

63. Both the House bill and the Senate amendment include a definition of "postsecondary educational institution." The House bill refers to eligibility and certification requirements under the Higher Education Act of 1965. The Senate amendment requires two or four year programs of instruction.



The Senate recesses.

64. The House bill, but not the Senate amendment, includes a definition of "preemployment skills training; job readiness skills training."

The House recesses.

65. The House bill, but not the Senate amendment, includes a definition of "public assistance." (See related Note 91)

The Senate recesses with an amendment to strike "youth" and replace with "an individual" and strike a certificate from a program of equivalency for such a diploma with "its equivalent"

69. The Senate amendment, but not the House bill, includes a definition of "school-to-work activities."

**HOLD**

70. The House bill, but not the Senate amendment, includes a definition of "seasonal farmworker."

The House recesses.

71. The House bill, but not the Senate amendment, includes a definition of "Secretary," which applies to both the youth grant and adult education and family literacy grant.

The House recesses.

72. The House bill, but not the Senate amendment, includes a definition of "sequential course of study," which applies only to

the youth grant.

The Senate recedes with an amendment striking "youth" and inserting "individuals."

73. The House bill, but not the Senate amendment, includes a definition of "single parent," which applies only to the youth grant.

The House recedes.

74. The House bill, but not the Senate amendment, includes a definition of "skill certificate."

The House recedes.

75. The House bill, but not the Senate amendment, includes a definition of "special populations," which applies only to the youth grant.

The House recedes.

76. Both the House bill and the Senate amendment include a definition of "State," however, the House bill includes in the definition the Virgin Islands, American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands.

The House recedes.

77. The Senate amendment, but not the House bill, includes a definition of "State benchmarks."

The House recedes with conforming amendments.

78. The House bill and the Senate amendment include different

definitions of "State Educational Agency." The House bill includes the same definition as the Elementary and Secondary Education Act. The Senate amendment's definition differs from the Elementary and Secondary Education Act by including the State board of education or other officer, and by adding the clause "or, if there is no such officer of agency, an officer or agency designated by the Governor or by State law."

The Senate recesses. (pending outcome of discussion of eligible agency)

79. The Senate amendment, but not the House bill, includes a definition of "State goals."

The House recesses.

80. Both the House bill and the Senate amendment include a definition of "State library administrative agency." However, the Senate amendment definition is included in the provisions pertaining to Museums and Libraries. (See Note 550b)

The Senate recesses. (Definition moves to libraries section.)

81. The Senate amendment, but not the House bill, includes a definition of "statewide system."

The House recesses with amendment inserting "The term "statewide system" means a workforce and career development system, referred to in section           , that includes employment and training activities, activities <sup>activities</sup> pursuant to the Wagner-Peyser Act, vocational education activities, adult education and literacy activities and at-risk youth activities in the State."

82. The Senate amendment, but not the House bill, includes a definition of "substate area."

The Senate recesses.

83. The House bill, but not the Senate amendment, includes a definition of "supportive services."

The Senate recedes with an amendment inserting "The term "supportive services" means services such as transportation, child care, dependent care, and needs-based payments, which are necessary to enable an individual to participate in programs established under this Act, except that such services are to be provided with funds authorized under this Act only to the extent that they are not available through alternative funding sources specifically designed for such services."

84. Both the House bill and the Senate amendment include similar definitions of "tech-prep." The House bill defines "tech-prep education program," the Senate amendment defines "tech-prep program."

The House recedes.

84a. The Senate amendment refers to State law.

The House recedes with an amendment striking "sequence" and inserting "sequential course of study"

84b. The Senate amendment includes work-site learning.

The House recedes.

84c. The House bill provides technical preparation in at least 1 field. The Senate amendment includes applied economics.

The House recedes. "

84d. The Senate amendment includes economics.

The House recesses.

84e. The House bill refers to careers meeting labor market needs.

The House recesses.

85. The House bill, but not the Senate amendment, includes a definition of "unemployed."

The House recesses.

86. The House bill, but not the Senate amendment, includes a definition of "unit of general local government."

The Senate recesses.

87. Both the House bill and the Senate amendment definitions are the same, except for a technical difference.

The House recesses.

88. Both the House bill and the Senate amendment include different definitions of "vocational education."

The House recesses.

89. The House bill, but not the Senate amendment, includes a definition of "vocational student organizations," which applies only to the youth grant. ..

The Senate recesses with an amendment striking all after the word "units".

90. The Senate amendment, but not the House bill, includes a definition of "vocational rehabilitation program."

The House recesses.

91. The Senate amendment, but not the House bill, includes a definition of "welfare assistance." (See related Note 65)

The Senate recesses.

92. The Senate amendment, but not the House bill, includes a definition of "welfare recipient."

The Senate recesses.

93. The House bill, but not the Senate amendment, includes a definition of "work experience."

The House recesses.

94. The Senate amendment, but not the House bill, includes a definition of "workforce development activities."

The House recesses with an amendment striking "workforce development activities" and inserting "workforce and career development activities."

95. The Senate amendment, but not the House bill, includes a definition of "workforce education activities."

The House recesses with an amendment striking "workforce education activities" and inserting "vocational education

activities means the activities described under section\_\_\_\_." and "adult education and literacy activities means the activities described under section\_\_\_\_\_.

96. The Senate amendment, but not the House bill, includes a definition of "workforce employment activities."

The House recedes with an amendment striking "workforce employment activities" and inserting "employment and training activities means the activities described under section\_\_\_\_\_".

97. The Senate amendment, but not the House bill, includes a definition of "workforce preparation activities for at-risk youth."

The House recedes with an amendment striking "workforce preparation activities for at-risk youth" and inserting "at-risk youth activities means the activities described under section\_\_\_\_\_".

98. The House bill, but not the Senate amendment, includes a definition of "workplace mentor."

The House recedes. (Mary drafting Manager's language)

99. The House bill, but not the Senate amendment, includes a definition of "youth."

The House recedes.

## **STATE ROLE**

### *Description of System*

100. The House bill, but not the Senate amendment, uses title I to

establish an infrastructure for the workforce development and literacy system, composed of three block grants.

The House recedes.

101. The Senate amendment, but not the House bill, provides for the Secretaries to make an allotment to each State to establish a statewide workforce development system.

The House recedes with amendments striking "on the advice of the Federal Partnership,". (Legislative counsel for bill references and other technical changes.)

102. Under the House bill, grants for programs are provided under four separate titles, known as Workforce Development and Literacy Programs. (The House bill no longer contains a separate title for vocational rehabilitation.) Under the Senate amendment, a State must allocate its allotment as follows: 25% for workforce employment, 25% for workforce education, and the remaining 50% for the flex account.

**HOLD** -- issue of Hold Harmless under adult education percentage.

Senate Offer: The House recedes with amendment striking references to the Wagner-Peyser Act, and inserting

"ACTIVITIES -- From the funds made available to a State through an allotment under section\_\_\_ --

(1) a portion equal to 35 percent of such sum shall be made available for employment and training;

(2) a portion equal to 20 percent of such sum shall be made available for vocational education;

(3) a portion equal to 15 percent of such sum shall be made available for at-risk youth;

(4) a portion equal to 5 percent of such sum shall be available to adult education and literacy activities;"



HOUSE OFFER RE: ADULT ED HOLD HARMLESS: "SPECIAL RULE - () with respect to adult education activities, the State shall ensure the expenditure of an amount equal to or greater than the amount that the State received for adult education and literacy activities in FY1995. For any fiscal year where funding is less than the amounts received by the State in FY1995, the Governor shall make available amounts necessary from funds received under section\_\_. [reference flex account].

102(a). The Senate amendment, but not the House bill, provides that 50% of the allotment be used for the flex account for workforce employment or workforce education activities, as a State may decide. In addition, a State would be required to spend a portion of the flex account on school-to-work activities. (See Note 350) A State may also use a portion of the flex account for economic development activities, if certain conditions are met. (See Note 352)

**HOLD** -- issue of the percentage for the flex account for the House Dems.

Offer: The House recedes with amendment inserting "(5) a portion (referred to in this title as the "flex account") equal to 25 percent of such sum shall be made available for flexible workforce activities."

103. The House, but not the Senate amendment, allows the Governor to transfer up to 10% of the funds between title II (youth) and title III (adult training).

The House recedes.

*HOLD*  
104. Under the Senate amendment, but not the House bill, the Secretaries are directed to make payments to the Governor for workforce employment and to the State educational agency for workforce education.

## MEMBERS' ISSUE

OFFER: The House recedes with an amendment inserting "(b) RECIPIENTS -- Subject to subsection (c), upon receipt of an allotment under section\_\_\_\_, the State shall, in accordance with State law, shall distribute funds as follows--

(1) to the Governor of the State for the portion described in paragraphs (1) and (4) of subsection (a), and such part of the flex account as the Governor may be eligible to receive, as determined under the State plan of the State submitted under subsection\_\_\_\_; and

(2) to the eligible agencies in the State for the portion described in paragraphs (2) and (3) of subsection (a), and such part of the flex account as the eligible agencies may be eligible to receive, as determined under the State plan of the State submitted under section\_\_\_\_.

"ELIGIBLE AGENCY" TO BE DEFINED IN GENERAL DEFINITIONS SECTION:

( ) the term "eligible agency means --

(A) In the case of vocational education activities or requirements under this title, the individual, entity, or agency in a State responsible for administering or setting policies for vocational education activities in such State pursuant to State law. If no such agency is so designated for vocational education activities, the eligible agency for vocational education shall be the individual, entity or agency in a State responsible for administering or setting policies for vocational education, on the date of enactment of this Act.

(B) In the case of adult education activities or requirements under this title, the individual, entity, or agency in a State responsible for administering or setting policies for adult education activities in such State pursuant to State law. If no such agency is so designated for adult education activities, the eligible agency for adult education shall be the individual, entity or agency in a State responsible for administering or setting policies for adult education, on the date of enactment of this

Act."

[The managers intend that the reference to "State law" in determining the individual, entity or agency in a State responsible for administering or setting policies for vocational education or adult education and literacy includes State statutes or the State constitution. The term "State law" does not include regulations by the Governor. The managers do not intend to prohibit States from redesignating the agency or agencies responsible for these activities by State statute.]

#### *Collaborative Process/State Boards*

105. The House bill, but not the Senate amendment, requires a Governor to certify to the Secretaries that a collaborative process has occurred where required under the Act.

The House recedes.

106. Under the House bill, the collaborative process is a process for making the key decisions at the State level, including development of the State plan. The collaborative process under the Senate amendment is used solely for developing the State's strategic plan. The State provides a description of the process in its plan.

The Senate recedes with an amendment inserting "(b) COLLABORATIVE PROCESS -- The State plan shall include a description of the collaborative process used to develop the State plan, including a description of the manner in which, at a minimum --"

107. The House bill and the Senate amendment list the participants in the collaborative process.

**MEMBERS' ISSUE** -- issue of referencing "labor organizations"

The Senate recedes with an amendment inserting

(1) the Governor;

(2) representatives of (which representatives are appointed by the Governor) ---

(A) business and industry;

(B) local chief elected officials (representing both cities and counties, where appropriate);

(C) local education agencies (including vocational educators);

(D) postsecondary institutions (including community and technical colleges);

(E) parents;

(F) employees and representatives of labor organizations;

(3) the lead State agency official or officials for --

(A) the State educational agency or agencies;

(B) the eligible agency responsible for vocational education;

(C) the eligible agency responsible for adult education;

(D) the State agency responsible for postsecondary education;

(E) the State agency responsible for vocational rehabilitation, and where applicable, the State agency providing vocational rehabilitation services for the blind;

(F) the representatives of the Veterans' Service assigned to the State under section 4103 of title 38, United States Code;

(G) such other State agency officials, including officials for economic development and employment, as the Governor may designate; and

(4) representatives of the State legislature.

collaborated in the development of the plan.

(Manager's language on providers of workforce development services -- D'Arcy to draft)

108. The House bill, but not the Senate amendment, allows States to use existing processes, including State councils, that are substantially the same as those described in section 103(a) and

(b), outlining the collaborative process.

The Senate recedes with an amendment inserting

(c) RULES OF CONSTRUCTION. -- With respect to compliance with subsection (b), a State may --

(1) use any existing State process (including any council, similar entity or previously established State workforce development board) that substantially meets the purposes of such subsection.

(A) FUNCTIONS. -- If a State has previously established a State workforce development board the functions shall include --

(1) advising the Governor on the development of the statewide system, the State plan described in section\_\_, and the State goals and benchmarks;

(2) assisting in the development of specific performance indicators to measure progress toward meeting the State goals and reaching the State benchmarks and providing guidance on how such progress may be improved;

(3) assisting the Governor in preparing the annual report to the Secretaries regarding progress in reaching the State benchmarks;

(4) assisting the Governor in developing the statewide labor market information system; and

(5) assisting in the monitoring and continuous improvement of the performance of the statewide system, including evaluation of the effectiveness of workforce and career development activities funded under this subtitle.

(2) use a previously developed collaborative process related to the creation of a one-stop career center system or a [school-to-work] system if it is substantially similar to the process described in subsection (b) and was developed prior to the date of enactment of this Act."

109. The Senate amendment permits the Governor to establish a State

workforce development board to assist in the development of the statewide workforce development system. The House bill permits existing State boards under section 103(c) (See previous Note).

The Senate recedes.

110. Both the House bill and the Senate amendment allow the Governor to act, if he or she is unable to obtain the support of the participants in the collaborative process. However, comments from participants must be included in the State plan. The House bill specifically gives the Governor final authority to submit the State plan, and to make decisions for all programs authorized under the Act, except where State law provides such authority to an individual or agency other than the Governor.

The Senate recedes with amendment inserting

( ) SPECIAL RULES. --

(1) GOVERNOR. -- The Governor of a State shall have final authority for determining the content of the portion of the State plan described in paragraphs\_\_\_\_ through \_\_\_\_ of subsection(). [regarding employment and training activities and related requirements, and at-risk youth activities and related requirements]

(2) ELIGIBLE AGENCIES. -- The eligible agencies in a State shall have final authority for determining the content of the portion of the State plan described in paragraphs\_\_\_\_ through\_\_\_\_ of subsection(). [regarding vocational education activities and related requirements, and adult education and literacy activities and related requirements]

( ) AUTHORITY OF GOVERNOR. --

(1) FINAL AUTHORITY. -- If, after a reasonable effort, the Governor is unable to obtain agreement of the individuals and agencies participating in the collaborative process for the development of the State plan, the Governor shall have final authority to submit the State plan as described under section\_\_.

(2) PROCESS. -- The Governor shall --

(A) provide individuals and agencies participating in the collaborative process for the development of the State plan with copies of the State plan;

(B) allow such individuals and agencies to submit to the Governor, not later than the end of the 30-day period beginning on the date on which the Governor provides such individuals and agencies with copies of such plan under subparagraph (A), comments on such plan; and

(C) ~~accept and~~ <sup>such comments</sup> include with the State plan ~~any such~~ ~~comments~~ that --

(i) are submitted by an eligible agency in disagreement with the plan developed by the collaborative process with respect to vocational or adult education; or

(ii) are submitted by other participants in the collaborative process.

(3) ELIGIBLE AGENCY COMMENTS. -- Any comments submitted by an eligible agency pursuant to paragraph (2)(C)(i) shall be included in the plan submitted by the Governor in paragraph (1). Such comments shall be considered to represent the State's plan for vocation or adult education.

111. The House bill and the Senate amendment provide that neither shall be construed to supersede State law or authority, although the Senate amendment applies only to education activities.

The Senate recede with an amendment inserting "CONSTRUCTION. --"

(1) SPECIAL RULE. -- Nothing in this Act shall be construed to prohibit any individual, entity, or agency in a State (other than the State educational agency) that is administering vocational education activities or adult education and literacy activities or setting education policies consistent with authority under State law for vocational education activities or adult education and literacy activities, on the day preceding the date of enactment of this Act, from continuing to administer such

activities or set such education policies consistent with authority under State law for such activities under this subtitle.

(2) EXCEPTION. -- Nothing in this Act shall be construed to negate or supersede the legal authority under State law of any State agency, State entity, or State public official over programs that are under the jurisdiction of the agency, entity, or official. Nothing in this Act shall be construed to interfere with the authority of such agency, entity, or official to enter into a contract under any provision of law."

(Manager's language to be drafted by Mary on State Legislatures)

#### *State Allotments*

*(Workforce Development/At-Risk Youth)*

112. The Senate amendment, but not the House bill, provides that funds be expended in accordance with the State's laws and procedures.

The Senate recedes.

113. Under the Senate amendment, funds for workforce development activities will be distributed according to a formula based on the following factors: 60% of the funds based on each State's percentage share of the population aged 15 to 65 years, 20% of the funds based on each State's percentage share of individuals aged 18 to 64 years who are at or below the official poverty line, 10% of the funds based on each State's percentage share of the average unemployment rate for the previous 2 years; and 10% based on each State's percentage share of adult recipients of welfare assistance. The House bill has no comparable allotment requirement for a single grant to States, but does provide allotments to States under the three separate block grants. (See Notes 115, 116, & 117)

The House recedes with amendment inserting "(a) In General. -- The Secretary of Labor and the Secretary of Education, acting jointly, shall allot to each State that meets the requirements of section\_\_, an amount equal to the total of the amounts made



available under subparagraphs (A), (B), (C), and (D) of subsection (b)(2), adjusted in accordance with subsections (c) and (d)"; in paragraph (B)(i) striking "age 18" and inserting "age 16".

(Assistance from Legislative counsel on possible technical changes to definitions.)

113a. Under the Senate amendment, in addition to the factors described in the previous Note, there is a provision for a State minimum allocation, so that no State receives less than 0.5% of the total allocation. However, the application of the minimum grant provision cannot result in an allotment that is larger than 150% of the product of a State's population times the national per capita payment under the formula (which is the total allocation divided by the total population). The House bill also includes State minimums in its separate grant allotments. (See Notes 115, 116, & 117)

The House recedes with amendment striking any reference to the Federal Partnership.

113b. Notwithstanding any other provision of the formula in the Senate amendment, no State would receive an increase or decrease of more than 5% in its share of funds from the previous year.

The House recedes with an amendment striking 0.95 and inserting 0.98; and striking "1.05" and inserting "1.02"

114. The Senate amendment provides funding for Job Corps and at-risk youth through an allotment based on 1996 appropriations for Job Corps, and the remainder distributed by formula for workforce preparation activities for at-risk youth. The House bill provides funding for at-risk youth under the youth grant. (See Note 115). The House bill retains current law for Job Corps.

The Senate recedes.

114a. Under the Senate amendment, the Secretaries provide funds for the operation of Job Corps centers based on the amounts appropriated in fiscal year 1996 and such additional amounts as are necessary for the construction of new centers.

The Senate recesses.

114b. Under the Senate amendment, the Secretaries may reserve at-risk youth funds for Indians and Native Hawaiians.

The Senate recesses.

114c. Remaining funds for at-risk youth are allocated in the Senate amendment based on the following factors: 33 1/3% of the funds based on each State's percentage share of the average unemployment rate for the previous two years, 33 1/3% of the funds based on each State's percentage share of individuals aged 18 to 64 years who are at or below the official poverty line, and 33 1/3 percent of the funds based on each State's percentage share of at-risk youth.

The Senate recesses.

(Youth)

115. Under the House bill's grant for youth (which includes in-school and at-risk youth), States are provided an amount of funding which bears the same ratio as the average of funds they received in fiscal year 1995 under sections 101 and 101A of the Perkins Act (basic State and tech prep grants) and sections 252 and 262 of JTPA (Title II-B Summer Youth and Title II-C Youth Training). A small State minimum of 1/4 of 1% is provided. For a description of the Senate allotment for workforce development (which includes youth) and the allotment for at-risk youth. (See Notes 113 and 114).

The House recesses.

*(Employment and Training Activities)*

116. Under the House bill's grant for adult employment and training, States are provided funds based on each State's share of fiscal year 1995 appropriations under JTPA Title II-A (Adult Training) and Title III (Dislocated Workers). In addition, no State would receive less than 0.25% of the amount made available for these activities. For a description of the Senate allotment which includes employment and training, see Note 113.

The House recesses.

*(Adult Education)*

117. Under the House bill's grant for adult education and literacy, States are provided an allotment of \$250,000. Funds remaining after these allotments are made would be distributed to States in proportion to the adult population who are: at least 16 years of age but less than 61 years, beyond the age of compulsory school attendance, do not have a high school diploma (or the equivalent), and who are not currently enrolled in school. For a description of the Senate allotment which includes adult education, see Note 113.

The House recesses.

*State Responsibilities*  
*(State Plan/General)*

118. Under the House bill, the Governor must submit a single State plan (to the Secretaries of Education and Labor) for the workforce development and literacy programs under the Act. Under the Senate amendment, the Governor must submit a single, comprehensive 3-year plan to the Federal Partnership.

The Senate recesses with an amendment inserting

"IN GENERAL. -- For a State to be eligible to receive an allotment under section\_\_\_\_, the Governor of a State shall submit to the Secretaries, a single, comprehensive State plan (referred to in

this section as a "State plan"), that outlines a 3-year strategy for the statewide system and that meets the requirements of this section."

Members' Issue of "obtaining approval" -- per Omer.

119. Under the House bill, but not the Senate amendment, the plan remains in effect for 6 years, unless the State modifies the plan.

The Senate recedes with an amendment striking "This section applies to the modification to the same extent and in the same manner as this section applies to the original plan."

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120. Under the Senate amendment, but not the House bill, the plan contains three components: (1) the strategic plan, (2) the description of workforce employment activities, and (3) the description of workforce education activities. The strategic plan, developed through the collaborative process, describes the statewide strategy and the allocation of funds in the flex account.

The Senate recedes.

121. Both the House bill and the Senate amendment require that State plans include various elements. To the extent both the House bill and the Senate amendment contain comparable requirements, there are differences in content.

The Senate recedes with an amendment changing title to "State Plan" and striking "workforce development and literacy".

121a. Both the House bill and the Senate amendment require a description of the collaborative process. The House bill and the Senate amendment differ in the use of the collaborative process. The Senate amendment also requires a demonstration of support by the participants. (See Note 106)

The House recedes with an amendment inserting

(1)(A) A description of the collaborative process under section\_\_ used in developing the plan;

(B)(I) information demonstrating the support of individuals and entities described in section\_\_, for the plan;

(ii) in a case in which the Governor is unable to obtain the support of such individuals and entities as provided in\_\_, the comments referred to in \_\_; and

(iii) for purposes of section\_\_, information demonstrating the approval of the entities described in section\_\_ of all elements of the State plan.

121b. Both the House bill and the Senate amendment require a description of the State goals (and in the Senate amendment, State benchmarks) for workforce development and how to achieve them.

The House recedes with an amendment inserting "(a) Contents.  
-- A State plan shall include the following:

( ) A statement of the goals of the State workforce and career development and literacy system, that includes --

(A) information identifying the State goals and benchmarks and how the goals and benchmarks will ensure continuous improvement and make the statewide system relevant and responsive to labor market and education needs at the local level;

(B) information describing how the State will coordinate workforce and careers development activities to meet the State goals and reach the State benchmarks.

121c. Both the House bill and the Senate amendment require a description of the current and future workforce development needs of each State.

The Senate recedes with amendment inserting "(A) information describing the needs of the State with regard to current and

projected demands for workers by occupation, the skills and economic development needs of the State and the type and availability of workforce development and literacy programs and services in the State."

121d. Both the House bill and the Senate amendment require a description of performance indicators to measure and continuously improve upon the performance of the statewide system. The House bill requires the identification of progress indicators. (See Notes 123c and 125b for comparable Senate provisions)

The House and Senate recede.

121e. The House bill, but not the Senate amendment, requires a description of how the State will comply with the requirements for (1) the designation of workforce development areas, (2) the establishment of local boards, (3) integrated career center system, and (4) identification of eligible education and training providers, as required by the Act.

The Senate recedes with an amendment inserting

"() the identification of criteria for the appointment of members of local workforce development boards based upon the requirements of section\_\_\_\_" [See Note 183]

(I) the identification of workforce development areas and a description of the process used for the designation of such areas, which takes into consideration labor market areas and service areas in which related Federal and State programs are provided or have historically provided; or

(ii) if the State receives an allotment under section\_\_\_\_ (section will be reference to small State minimum) a designation that the State will be treated as a workforce development area for the purposes of the application of this requirement."

(Chris Treadway will be returning with a paragraph to amend the Senate language in regards to the small State minimum)

121f. Both the House bill and the Senate amendment require a

description of how the State will participate in the national labor market information system.

The Senate recedes with an amendment inserting "A description of how the State will utilize the statewide labor market information system."

121g. The House bill, but not the Senate amendment, requires additional plan elements outlined in titles II-IV.

The House recedes.

121h. Both the House bill and the Senate amendment require a description of how the State will eliminate duplication among services, including a description of common data collection and reporting processes.

The Senate recedes.

121i. The House bill, but not the Senate amendment, requires a description of the process for public comment.

The Senate recedes.

121j. Both the House bill and the Senate amendment require a description of business participation.

**HOLD** -- pending the word labor. (The House recedes.)

121k. The House bill, but not the Senate amendment, requires assurances that the State will be accountable for funds distributed under the Act.

The Senate recedes.

121l. The House bill, but not the Senate amendment, requires a description of the sanctions which may be imposed for actions contrary to the Act.

The House recesses. (Manager's language -- drafted by Mary)

121m. The Senate amendment, but not the House bill, requires a description of how funds in the flex account will be allocated among workforce activities.

**HOLD**

121n. The Senate amendment, but not the House bill, requires information regarding the participation of local partnerships.

The Senate recesses.

121o. The Senate amendment, but not the House bill, requires information regarding other public and private resources for workforce development activities.

**HOLD** -- labor provision. (The House recesses with amendment include Wagner-Peyser Act)

121p. The Senate amendment, but not the House bill, requires information regarding how Veterans' employment activities will be coordinated with the statewide system.

The House recesses.

121q. The Senate amendment, but not the House bill, requires an assurance that funds under the Act will supplement and not supplant other public funds for workforce development activities.

The House recesses.



121r. The Senate amendment, but not the House bill, requires information regarding economic development activities, if any.

**HOLD** -- reference to labor organizations.

(The House recesses.)

122. Under the House bill, but not the Senate amendment, States must provide additional information regarding adult employment and training activities.

The House recesses.

122a. The House bill, but not the Senate amendment, requires a description of how the State will serve the employment and training needs of various segments of the population, and how it will provide rapid response assistance to dislocated workers.

**HOLD -- Members' Issue**

5/7 GOP SENATE OFFER: The Senate would recess and priority language would be dropped.

Offer: The Senate recesses with an amendment inserting "() A description of how the State will serve the employment and training needs of dislocated workers, economically disadvantaged adults (or term to be determined), and other individuals with multiple barriers to employment (as determined by the State).

(Add Manager's language regarding older workers, displaced homemakers, veterans and individuals seeking to enter nontraditional employment.)

123. Under the Senate amendment, but not the House bill, the second part of the plan, developed by the Governor, describes workforce employment activities.

The Senate recesses.

123a. The Senate amendment requires an identification of substate areas. The House bill requires a description of how the State will designate local workforce development areas. (See Note 129 and 121e)

The Senate recesses.

123b. The Senate amendment requires a description of the basic features of the State's one-stop career center system. The House bill requires a description of how the State will establish integrated career center systems. (See Note 121e)

The House recesses with an amendment inserting

"() A description of the State's strategy (including the time frame for such strategy) for development of a fully operational statewide one-stop career center system as described in section\_\_, including --

( ) criteria for use by local workforce development boards, with respect to the establishment or certification of a one-stop career center system in each local workforce development area, in accordance with section\_\_; [negotiated agreements]

( ) the steps the State will take over the 5 years covered by the plan to ensure that all publicly funded labor exchange services described in section\_\_, and all publicly funded labor exchange services described in the Wagner-Peyser Act (29 U.S.C. 49 et seq.) are provided through the one-stop career center system of the State; and

( ) the steps that the State will take over the 5 years covered by the plan to provide information to individuals through the one-stop/career center delivery system, on the quality of workforce development, vocational rehabilitation and literacy programs as appropriate.

123c. The Senate amendment requires an identification of performance indicators relating to the State goals and benchmarks for workforce employment activities. The House bill requires an

identification of progress indicators. (See related Note 121d for comparable House provision)

The Senate recesses.

123d. The Senate amendment requires a description of the workforce employment activities to be carried out. The House bill contains no such specific plan requirement.

The House recesses with an amendment inserting "describing the employment and training activities to be carried out with funds received through the allotment, including a description of how the State will provide rapid response assistance to workers experiencing dislocation as a result of mass layoffs and plant closings, either through the direct provision of services or through the transfer of funds to local entities for the provision of such services."

123e. The Senate amendment requires a description of the steps the State will take over three years to establish a statewide labor market information system. The House bill requires a description of the State's participation in the labor market information system. (See Note 121f for comparable House provision)

The Senate recesses.

123f. The Senate amendment, but not the House bill, requires a description of the steps the State will take over three years to establish a job placement accountability system.

The House recesses.

123g. The Senate amendment requires a description of the process the State will use to approve training providers. The House bill requires a description of how the State will identify education and training providers. (See Note 121e)

The House recesses with an amendment inserting "() A description of the process the State will use to identify eligible

providers, as required under section\_\_."

124. In order to receive funds for youth, under the House bill, but not the Senate amendment, a State must submit additional information describing activities for youth.

The House recedes with an amendment inserting "With respect to vocational education activities, information --"

124a. The House bill, but not the Senate amendment, requires a description of the State's plan to develop the academic and occupational skills of youth and provide the attainment of challenging vocational-technical education standards. (See Notes 125g and 125k for Senate plan requirements regarding workforce education activities to improve education and performance measures)

The Senate recedes with an amendment inserting "(1) a description of the State's plan to develop the academic and occupational skills of students participating in vocational education activities under this Act, including the integration of --

(I) academic and vocational education;

(ii) classroom and worksite learning; and

(iii) secondary and postsecondary education.

124b. The House bill, but not the Senate amendment, requires a description of how the State will improve comprehensive career guidance and counseling. Both the House bill and the Senate amendment require a description of how the State will address professional development needs. (See related Note 125i)

The Senate recedes with an amendment striking "comprehensive" and striking all after the word "counseling".

124c. The House bill, but not the Senate amendment, requires a

description of the State's strategy for integrating academic, vocational, and work-based learning. Both the House bill and the Senate amendment require collaborative efforts. (See related Note 125)

The House recesses.

124d. Both the House bill and the Senate amendment require a description of how the State will encourage the participation of parents, (and under the House bill--businesses) in education and youth development activities.

The Senate recesses with an amendment inserting "describing how the State will promote the active involvement of parents and business (including small and medium-sized businesses) in the planning, development, and implementation of vocational education activities authorized under this title;"

124e. The House bill, but not the Senate amendment, requires a description of how the State will serve single parents, displaced homemakers, and single pregnant women and promote the elimination of sex bias without mandating a set-aside.

HOLD -- per Brian

The House recesses.

125. Under the Senate amendment, but not the House bill, the third part of the plan, developed by representatives of education, describes workforce education activities.

The Senate recesses.

125a. The Senate amendment, but not the House bill, requires a description of how the funds will be allocated among adult education, and among secondary and postsecondary vocational education programs. [Note: The House bill has separate grants for youth and for adult education and literacy.]

The House recesses with an amendment striking "workforce" and inserting "vocational", and striking "and (ii) adult education."

125b. In the House bill, goals and progress indicators for adult education and family literacy must be described in the plan as a condition of receiving funds. In the Senate amendment, performance indicators for workforce education activities must be identified in the plan.

The House recesses with amendment striking "workforce" and inserting "vocational".

125c. The Senate amendment, but not the House bill, requires a description of the workforce education activities to be carried out.

The House recesses with amendment striking "workforce" and inserting "vocational".

125d. The Senate amendment requires a description of how the State will address the adult education needs of the State. The House bill includes an assessment of adult education needs in section 104(b)(2)(B). (See Note 121c)

The Senate recesses.

125e. The Senate amendment, but not the House bill, requires a description of how the State will desegregate data relating to at-risk youth.

The Senate recesses.

125f. The Senate amendment, but not the House bill, requires a description of how the State will adequately address the needs of at-risk youth in alternative education programs.

The Senate recesses.

125g. The Senate amendment, but not the House bill, requires a description of how the workforce education funds and activities are an integral part of State efforts to improve education.

The House recesses with an amendment inserting "describing how the State will address the needs of students who take part in vocational education activities to be taught to the same challenging academic proficiencies as all students."

125h. The Senate amendment, but not the House bill, requires a description of how the State will annually evaluate the effectiveness of the workforce education plan.

The House recesses with an amendment striking "State plan with respect to workforce" and inserting "vocational".

125i. The Senate amendment requires a description of how the State will address the professional development needs for workforce education activities. (See Note 124b for related House provision)

The House recesses with an amendment striking "workforce" and inserting "vocational".

125j. The Senate amendment, but not the House bill, requires a description of how the State will provide technical assistance to local educational agencies.

The House recesses.

125k. The Senate amendment, but not the House bill, requires a description of how the State will assess its progress in implementing student performance measures.

The Senate recesses.

126. Under the Senate amendment, a State must provide additional information in the plan to be eligible for funds for at-risk youth. However, a State is not required to provide such information in order to be eligible for funds for other workforce development activities.

The House recesses with an amendment inserting

"With respect to workforce preparation activities for at-risk youth, information --

- ( ) describing the workforce preparation activities for at-risk youth that will be carried out with funds received through the allotment;

- ( ) identifying performance indicators that relate to the State goals, and to the State benchmarks, concerning workforce preparation activities for at-risk youth; and

- ( ) describing how the State will adequately address the needs of at-risk youth in alternative education programs that teach to the same challenging academic, occupational, and skill proficiencies as they are provided for all other students.

With respect to adult education and literacy activities, information--

- ( ) identifying performance indicators that relate to the State goals, and to the State benchmarks, concerning adult education activities;

- ( ) describing adult education activities that will be carried out with funds received through the allotment;



( ) describing how the adult education activities described in the State plan and the State allocation of funds received through the allotment for such activities are an integral part of comprehensive efforts of the State to improve education and training for all adults; and

( ) describing how the State will annually evaluate the effectiveness of the State plan with respect to adult education activities."

127. The Senate amendment provides that the Governor may develop the entire plan with the consent of certain representatives of education. The House bill provides for the Governor, through the collaborative process, (which includes representatives of education) to develop the plan. (See Notes 118 and 121a)

The Senate recesses.

#### *Conditions*

128. Under the House bill, in order for a State to receive a grant under one or more of the programs, it must: establish a collaborative process, develop a plan, and comply with the requirements of the Act. Additional requirements must be satisfied in order to receive an adult education and literacy grant. The Senate amendment provides that a State plan will be approved if the State has: included the required information in the plan, developed the strategic plan through the collaborative process, and negotiated the State benchmarks.

128a. The House bill requires States to meet additional grant requirements, including establishing goals, progress indicators, and performance measures, in order to receive funds for adult education and literacy.

The House recesses.

### *Provisions Regarding Local Workforce Development Area/Boards*

129. Under the House bill, the Governor is required to designate local workforce development areas through the collaborative process, after consultation with local chief elected officials, and after considering comments received through public participation. The Senate amendment requires plan information on substate areas. (See Note 123a)

The House recesses.

### *Criteria for Selection*

130. Under the House bill, a State is required to establish a local workforce development board in each local workforce development area. Under the Senate amendment, a State may elect to have local workforce development boards in substate areas, but is not required to do so. (See Note 182)

The House and Senate recesses.

131. Both the House bill and the Senate amendment allow the Governor to establish criteria for use by local chief elected officials in the selection of members of local boards. The House bill requires the Governor to determine the criteria through the collaborative process. (See Note 183)

The House and Senate recesses.

### *Certification*

132. Under the Senate amendment, but not the House bill, if a State elects to establish State and local workforce development boards, or elects to offer services through vouchers beginning in program year 2000, it may use up to 50% of the funds in the flex account for economic development.

The Senate recesses.

133. Under the House bill, but not the Senate amendment, the Governor is authorized to certify biennially one board for each workforce development area. If a workforce development area is a State, the collaborative process may serve as the local workforce development board.

The House recesses.

#### *One-Stops/Integrated Career Center Systems*

134. The House bill, but not the Senate amendment, requires the Governor to ensure the establishment of an integrated career center system by local workforce development boards within each local workforce development area. The Senate amendment requires the Governor to establish a statewide approach to integrating employment and training activities. (See Note 321)

The House recesses.

135. The House bill, but not the Senate amendment, requires the Governor, through the collaborative process, to establish statewide criteria for selecting career center providers. (See Note 322)

The House recesses.

136. Both the House bill and the Senate amendment require States to implement a statewide approach to the delivery of employment and training, based on the concept of integrated or one-stop career centers, although the requirements of each bill differ. (See Note 323)

The House recesses.

136a. The House bill requires a system where common intake, assessment, and job search are provided. The Senate amendment provides as an option a system where core services are provided,

regardless of point of entry. (See Note 323a)

The House recedes.

136b. Both the House bill and the Senate amendment allow for access points that are electronically or computer linked. The House bill further provides for the availability of labor market information and common management information across the system. (See Note 323b)

The House and Senate recede.

136c. The House bill requires at least one physical, co-located career center (to the extent practicable), but encourages a network of such centers combined with affiliated sites. The Senate amendment provides as an option, that there be core services available at not less than one physical location in each substate area, and also allows for a combination of the options listed above.

The House and Senate recede.

137. The House bill, not the Senate amendment, permits the Governor, through the collaborative process, to develop alternatives to the integrated career center system, subject to approval by the Secretaries. (See Note 328)

The House recedes.

#### *Identification of Education/Training Providers*

138. The House bill requires an identification process for determining which service providers are eligible to receive funds for adult training or vocational rehabilitation programs through vouchers, skill grants, or otherwise. The Senate amendment has no such requirement, other than to identify in the State plan the criteria for eligible providers, if a State chooses to offer services through vouchers. (See Note 339)

The Senate recedes with an amendment inserting

"(a) ELIGIBILITY REQUIREMENTS. -- A provider of training services shall be eligible to receive funds under section\_\_\_\_[reference to employment and training activities section] if such provider meets the requirements under section (1) or (2), as follows:

(1) POSTSECONDARY EDUCATIONAL INSTITUTIONS. Any postsecondary educational institution eligible for participation under Title IV of the Higher Education Act shall automatically qualify as an eligible provider for purposes of receiving funds under this [title] for --

(A) a program that leads to an associate, bachelor's, professional or graduate degree;

(B) a program that is at least two academic years in length that is acceptable for full credit toward a bachelor's degree; or

© a program that is at least a one academic year training program that leads to a certificate, degree or other recognized educational credential and that prepares a student for gainful employment in a recognized occupation."

139. The House bill, but not the Senate amendment, establishes an alternative eligibility procedure for service providers that are not eligible to participate in title IV of the Higher Education Act of 1965. (See Note 340)

The Senate recedes with an amendment inserting

"(2) OTHER ELIGIBLE PROVIDERS. The Governor shall establish a procedure for determining the eligibility of public or private providers not covered in paragraph (1). The Governor shall solicit and take into consideration recommendations of the local workforce development boards in the identification of eligible providers."

(Manager's language to be drafted by D'Arcy)

140. The House bill requires the State to identify performance-

based information to be submitted by service providers. The Senate amendment has no such requirement, other than to identify in the State plan information related to ensuring the accountability of service providers, if a State chooses to offer services through vouchers. (See Note 341)

The Senate recedes with an amendment inserting

"(A) REQUIRED INFORMATION. -- At a minimum, the selection procedure shall include minimum acceptable levels of performance based on the following criteria and program specific performance information submitted to the designated State agency as required under (b)(2) -

(I) program completion rates for participants;

(ii) percentage of participants obtaining employment in an occupation related to the program conducted;

(iii) where appropriate, the rates of licensure of graduates of the program; and

(iv) where appropriate, the percentage of participants who demonstrate significant gains in literacy and basic skills;

(B) ADDITIONAL INFORMATION. -- In addition, the Governor may request such other performance-based information as the Governor determines appropriate, which may include information relating to -

(I) the adequacy of space, staff, equipment, instructional materials, and student support services offered by the providers;

(ii) earnings of participants completing the program;

(iii) the percentage of graduates of the program who attain industry recognized occupational skills and in the subject occupation or industry for which training is provided; and

(iv) such other information as determined necessary by the Governor.

141. Under the House bill, but not the Senate amendment, the

Governor must designate a State agency to collect, verify, and disseminate performance-based information relating to service providers, along with a list of eligible providers, to local workforce development boards and integrated career center systems. (See Note 342)

The Senate recedes with an amendment inserting

"(b) ADMINISTRATION. --

(1) DESIGNATION. The Governor shall designate a State agency to collect and disseminate the performance-based information submitted pursuant to subsection (a)(2).

(2) APPLICATION. A service provider that desires to be eligible to receive funds for a program pursuant to section (a) shall submit such application as is required by the State. A service provider applying under (a)(2) shall submit verifiable performance data annually to the designated State agency at such time and in such form as required by the State agency. Program specific performance information consistent with requirements for eligibility under Title IV of the Higher Education Act may be accepted by the State from service providers offering programs not covered in paragraph (a)(1) for purposes of fulfilling the applicable requirements of this section.

(3) LIST OF ELIGIBLE PROVIDERS. The designated State agency shall compile a list of eligible providers, accompanied by any required performance-based information submitted by each provider and shall disseminate such information to one-stop career centers and to local workforce development boards. Such information shall be made widely available to program participants and others through the one-stop career center system.

(Manager's language to be included -- drafted by Susan)

142. Under the House bill, but not the Senate amendment, a service provider who provides inaccurate, performance-based information will be disqualified from receiving funds under this Act for two years, unless upon an appeal the provider can demonstrate that the information was provided in good faith. (See Note 343)

The Senate recedes with an amendment inserting

"(C) ENFORCEMENT. --

(1) ACCURACY OF INFORMATION. If the designated State agency determines that information supplied by or on behalf of an eligible provider is inaccurate, such eligible provider shall be disqualified from receiving funds under section\_\_\_\_\_ [reference employment and training activities section] for a period of time, but not less than 2 years, as prescribed in regulations issued by the State.

(2) OTHER. If the designated State agency determines that an eligible provider or a program offered by an eligible provider fails to meet the required performance criteria or materially violates any provision of this [title] or the implementing regulations, such eligible provider or any program offered by such eligible provider may be terminated from qualifying for funds under this [title]. An eligible provider under (a)(1) whose eligibility under Title IV of the Higher Education Act is terminated shall be terminated from automatic eligibility under (a)(1) and shall be required to meet the requirements of (a)(2) to obtain eligibility under this title. Any eligible provider terminated under the provisions of section (c)(1) and (c)(2) shall be liable for repayment of all funds received under section\_\_\_\_\_.

(3) APPEAL. The Governor shall establish a procedure for an eligible provider to appeal a determination by the designate State agency that results in disqualification under paragraphs (1) and (2). Such procedure shall provide an opportunity for a hearing and prescribe appropriate time limits to ensure prompt resolution of the appeal.

(Manager's language to be drafted by Susan)

143. Under the House bill, but not the Senate amendment, on-the-job training providers are exempt from this section, except that performance-based information on such providers must be collected and disseminated. (See Note 344)

The Senate recedes with an amendment inserting



"(d) ON-THE-JOB TRAINING EXCEPTION. --

(1) IN GENERAL. Providers of on-the-job training are not subject to the requirements of subsections (a), (b), or (c).

(2) COLLECTION AND DISSEMINATION OF INFORMATION. A one-stop career center in a local workforce development area shall collect such performance-based information from on-the-job training providers as the Governor may require, and disseminate such information through the delivery of core services, as appropriate.

144. The House bill, but not the Senate amendment, provides that nothing in this section prohibits a State from providing services. (See Note 345)

The House recedes.

#### *Accountability*

145. Both the House bill and the Senate amendment require States to submit a performance report each year. The House bill, but not the Senate amendment, requires reporting on performance of local areas and local entities; and public disclosure of such reports. The Senate amendment, but not the House bill, requires the results of any on-going State evaluations of workforce development activities. (See Note 163)

The House recedes with an amendment inserting "(d) Report on Performance.-

(1) In General. -- Each State that receives an allotment under [section 102] shall annually prepare and submit to the Secretary of Education and the Secretary of Labor, a report that states how the State is performing on State benchmarks, and the status and the results of any evaluations specified in [subsection (f)] that relate to activities carried out through the statewide system of the state. In preparing the report, the State may include information on such additional benchmarks as the State may establish to meet the State goals. The Secretaries shall make such information available to the general public through publication and other appropriate methods, and shall disseminate State-by-State comparisons."

146. The House bill, but not the Senate amendment, requires States to submit a report for adult education and literacy.

The House recesses.

147. The Senate amendment, but not the House bill, allows States to submit a consolidated workforce development and welfare assistance report to the Federal Partnership, the Secretary of Agriculture, and the Secretary of Health and Human Services.

The Senate recesses.

#### *Core Indicators/Goals and Benchmarks*

148. The Senate amendment establishes two principal goals for each statewide system: (1) providing meaningful employment and (2) improving skills.

The House recesses.

149. The House bill, but not the Senate amendment, requires each State to develop a statewide performance accountability system. The Senate amendment requires a job placement accountability system. (See Note 165)

The House recesses.

150. Under the House bill each State must identify indicators of performance, consistent with State goals, which at a minimum must include core indicators as provided under this section. The Senate amendment requires benchmarks. (See Note 152)

The House recesses.

151. The House bill, but not the Senate amendment, requires the Secretaries of Labor and Education to collaborate with States, representatives of business and others to develop technical definitions of core indicators.

The House recede.

152. The House bill requires common core indicators for adults, with additional indicators specifically for adult employment and training, adult education and literacy, and vocational rehabilitation. The House bill also requires core performance indicators for youth. The Senate amendment requires States to develop benchmarks for attaining the goals of meaningful employment and improved skills.

The House recedes with an amendment inserting

"(B) retention of the participants in unsubsidized employment 12 months after completion of the participation;

© increases in earnings for the participants or in earnings in combination with employer-assisted benefits; and

(D) attainment by the participants of industry-recognized occupational skills where appropriate." (Manager's language to be drafted by Mary and Omer.)

(2) Career Preparation -- To be eligible to receive an allotment under [section 102], a State shall develop, in accordance with [paragraph 5], and identify in the State plan of the State, proposed quantifiable benchmarks to measure the statewide progress of the State toward meeting the goal described in subsection (b)(2), which shall include, at a minimum, measures of--

(A) attainment of challenging State academic proficiencies;

(B) attainment of a high school diploma or a general equivalency diploma;

© attainment of industry-recognized occupational skills according to skill proficiencies for students in career preparation

programs;

(D) placement in, retention in, and completion of postsecondary education or advanced training or placement in, retention in, military service, employment, or qualified apprenticeship; and

(E) attainment of the literacy skills and knowledge adults need to be productive and responsible citizens and to become more actively involved in the education of their children;

(3) APPLICATION. --

(A) Employment benchmarks shall apply to employment and training, and where appropriate to at-risk youth and adult education; and

(B) Education benchmarks shall apply to vocational education, at-risk youth, and where appropriate adult education.

152(a) While certain of the House bill's core indicators are similar to the Senate amendment's benchmarks, the House bill's indicators are organized around youth and adults. The Senate amendment's benchmarks correspond to employment and education.

The House recedes with amendment inserting" (3) Populations --

(A) MINIMUM BENCHMARKS -- To be eligible to receive an allotment under section\_\_\_, a State shall develop and identify in the State plan, proposed quantifiable benchmarks to measure progress toward meeting the goals described in subsection (b) for populations including at a minimum --

(I) low-income individuals;

(ii) dislocated workers;

(iii) at-risk youth;

(iv) individuals with disabilities;

(v) veterans; and

(vi) individuals of limited literacy as determined by the State in accordance with the provisions of this Act.

(B) ADDITIONAL BENCHMARKS. -- In addition to the benchmarks developed pursuant to paragraph (A), a State may develop and identify in the State plan, proposed quantifiable benchmarks for individuals with multiple barriers to employment as determined by the State, which may include older workers.

153. The House bill, but not the Senate amendment, also requires, through the collaborative process, the establishment of goals for improving literacy and progress indicators to evaluate local providers receiving literacy funds.

The House recedes. (Issue has to be dealt with either in planning requirements or use of funds)

154. The Senate amendment, but not the House bill, allows States to use existing performance measures for skills attainment.

The House recedes with amendment inserting "() SPECIAL RULE -- If a State adopts for all students in the State performance indicators, attainment levels, or assessments for skills according to challenging academic, occupational, or industry-recognized skill proficiencies, the State shall at a minimum use such performance indicators, attainment levels, or assessments in measuring the progress of all students served under this title."

155. Under the House bill, but not the Senate amendment, each State must identify expected levels of performance for local areas, which may be adjusted by the Governor through the collaborative process.

The House recedes.

156. Under the House bill, the Secretaries, through collaboration with States, representatives of business, and others, must identify challenging levels of performance with respect to core indicators.

Under the Senate amendment, the Federal Partnership must establish model benchmarks based on existing State efforts.

The House recedes with an amendment inserting "The Secretaries shall provide technical assistance to State's requesting such assistance, which may include the development of model benchmarks for each of the benchmarks referred to in paragraphs() of section at achievable levels based on existing (as of the date of the establishment of benchmarks) workforce development efforts in the States. Any such model benchmarks shall be developed in collaboration with the States and the appropriate parties."

(Report language to be drafted by Mary on "appropriate parties")

157. The Senate amendment, but not the House bill, provides a process through which States negotiate with the Federal Partnership to determine appropriate benchmark levels.

The Senate recedes.

#### *Incentives*

158. Both the House bill and Senate amendment provide incentive grants based on performance. The House bill provides incentive grants and grants for exemplary statewide system design, funded through the adult and employment training grant. [Note: State to local incentive grants are discussed under the heading "Uses of Funds"]

The House and Senate recede.

159. The Senate amendment, but not the House bill, provides incentive grants of up to \$15 million annually to States that (1) reach or exceed their benchmarks, (2) reduce the number of welfare recipients, or (3) choose to offer services through vouchers.

The House recedes with an amendment inserting

"(a) Incentives --

(1) AWARD OF GRANTS. - From amounts reserved under section\_\_, or any fiscal year, the Secretary of Labor and the Secretary of Education, acting jointly, may award incentive grants of not more than \$15,000,000 per program year to a State that --

(A) reaches or exceeds the benchmarks submitted by the State pursuant to section\_\_, including the benchmarks established under section\_\_[populations], provided such benchmarks meet the criteria set for in paragraph (4); or

(B) demonstrates continuing progress toward reaching or exceeding the benchmarks over a 3-year period;

(2) PLAN SUPPORT. In order for a State to be eligible to receive an incentive grant under paragraph (1), the State shall have demonstrated the approval of the Governor and the eligible agencies for all elements of the State plan.

(3) USE OF FUNDS. A State that receives such a grant may use funds made available through the grant to carry out any workforce and career development activities authorized under this title.

(4) CRITERIA. In order to receive an incentive grant under section\_\_, a State shall have received an eligibility determination by the Secretaries, acting jointly, in accordance with the following --

(A) Determination. Upon receipt of the State plan submitted under section\_\_, or upon receipt of an annual application by the State for an incentive grant, the Secretaries shall, not later than 30 days after the date of receipt, determine --

(I) how the proposed State benchmarks identified by the State in the State plan compare with State benchmarks proposed by other States in their State plan; and

(ii) whether the proposed State benchmarks, taken as a whole, are sufficient to make the State eligible for an incentive grant under this section.

(B) Notification, Revision, and Technical Assistance. If

the Secretaries determine that a State is not eligible for incentive grants pursuant to subparagraph (A), the Secretaries shall provide upon request, technical assistance to the State on the steps that may be taken to make the State eligible for the incentive grant. Such State shall have 30 days upon the receipt of notification or the provision of technical assistance, whichever is later, to revise their benchmarks in order to become eligible for the incentive grant."

### *Sanctions*

160. The Senate amendment, but not the House bill, allows the Federal Partnership to determine the imposition of sanctions of States that have failed to demonstrate progress toward reaching their benchmarks over three years.

The House recedes with an amendment inserting "() SANCTIONS. -- A State that has failed to meet the State benchmarks established under this subsection for the 3 years covered by a State plan described in section\_\_, as determined by the Secretaries, may be subject to sanctions under section\_\_."

161. Both the House bill and the Senate amendment permit the Secretaries to reduce funding for poor performance. The House bill provides for a reduction of 5% based on the State's degree of failure. The House bill also provides for technical assistance.

The Senate recedes with an amendment inserting

"CONSEQUENCES FOR POOR PERFORMANCE --

(A) FINDING. If a State fails to meet the State benchmarks pursuant to section\_\_, the Secretaries shall determine whether the failure is attributable to the employment and training activities, vocational education activities, adult education and literacy activities, or at-risk youth activities.

(B) STATE CONSEQUENCES. The Secretaries may --

(I) provide technical assistance to the State to improve



its level of performance in such category; or

(ii) reduce by not more than 10 percent the portion of the allotment for the category of activities to which the failure is attributable. Such portion of the allotment for the appropriate category shall include any funds allocated to such category from the flex account."

161a. Under the Senate amendment, but not the House bill, if a State has submitted an integrated plan under section 105(b)(5), the Secretaries may reduce only the portion of funding (up to 5%) for the category of activities -- workforce employment or workforce education -- to which the failure is attributable. States would also be required to transfer an equal percentage of funds from such reduced category of activities to the other category and spend such amount in accordance with the integrated plan.

The Senate recedes.

161b. Under the Senate amendment, but not the House bill, funds returned by the Secretaries as a result of a reduction may be used to award incentive grants.

The House recedes with an amendment striking "Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership," and inserting "Secretaries".

#### *Local Sanctions and Consequences*

162. The House bill, but not the Senate amendment, allows the Governor, through the collaborative process, to establish criteria for determining poor performance of local entities.

The House recedes.

162a. The House bill, but not the Senate amendment, allows the Governor, through the collaborative process, to provide technical

assistance to local workforce development areas that perform poorly. Continued poor performance may result in a reduction of funds or other corrective action.

The House recedes.

### *Evaluations*

163. Both the House bill and the Senate amendment provide for ongoing evaluations of employment-related activities, including the use of controlled experiments using groups chosen by random assignment. In the House bill, the Secretary of Labor performs the evaluations, and in the Senate amendment the States perform the evaluations. (See Note 417a)

The House recedes with an amendment inserting

"(1) IN GENERAL. From funds made available under section\_\_\_\_, [reference State reserve for employment and training activities] a State shall conduct ongoing evaluations of activities carried out under this section\_\_. [limited to employment and training]

(2) METHODS. The State shall --

(A) conduct such evaluations of employment and training activities under this section through controlled experiments using experimental and control groups chosen by random assignment;

(B) in conducting the evaluations, determine, at a minimum, whether employment and training activities provided under this section effectively raise the hourly wage rates of individuals receiving the services through such activities; and

© conduct at least 1 such evaluation at any given time during any period in which the State is receiving funding under this title for such activities, except as provided for under subsection (3).

(3) MULTI-STATE AGREEMENTS. In meeting the requirements of paragraphs (1) and (2), a State may enter into an agreement with another State or other States.

164. The House bill, but not the Senate amendment, also allows the Secretary of Labor to conduct evaluations of other Federal employment-related programs to determine their effectiveness. (See Note 417b) .

The House recesses.

#### *Job Placement Accountability System*

165. The Senate amendment, but not the House bill, requires each State to establish a job placement accountability system to provide a uniform set of data to measure progress of the State toward reaching its benchmarks.

The Senate recesses.

#### *Management Information System*

166. The House bill, but not the Senate amendment, authorizes each State to design a unified management information system for reporting and monitoring programs and workforce development expenditures. Such system must ensure privacy protections.

The Senate recesses with an amendment inserting

"Sec. \_\_. FISCAL AND MANAGEMENT ACCOUNTABILITY INFORMATION SYSTEMS.

(A) From funds made available under sections \_\_ [reference employment and training activities and at-risk youth activities], the State is authorized to operate a fiscal and management accountability information system based upon guidelines established jointly by the Secretaries in consultation with the Governors and other appropriate parties. Such guidelines shall promote the efficient collection and use of fiscal and management information for reporting and monitoring the use of funds and for use by the State in preparing the annual report on benchmark performance. In measuring State performance, a State may, pursuant to State law, utilize quarterly wage records available through the unemployment insurance system.

(B) CONFIDENTIALITY. Nothing in this Act shall violate the provisions of the Family Education Rights and Privacy Act under

Section 444 of the General Education Provision Act. The State shall protect the confidentiality of information obtained through the job placement accountability system through the use of recognized security procedures."

#### *Other*

167. The Senate amendment, but not the House bill, provides that States monitor the participation of individuals who are engaged in workforce activities as a condition of receiving welfare assistance.

The Senate recedes.

#### *General State Provisions*

168. Both the House bill and the Senate amendment include provisions for disallowed costs. Under the House bill, expenditures disallowed by either Secretary for adult employment and training, at-risk youth, or vocational rehabilitation, may be repaid from funds allocated for such grants in subsequent years. Under the Senate amendment, the Governor may deduct workforce employment funds allocated to substate areas in subsequent program years.

House recede with amendment.

OFFER: "SECTION.\_\_\_.LIABILITY.

( ) EXPENDITURES CONTRARY TO TITLE. If the Governor of a State determines that a local entity that carries out employment and training activities or at-risk youth activities in a workforce development area of the State has expended funds made available under this title in a manner contrary to the objectives of this title, and such expenditures do not constitute fraud, embezzlement, or other criminal activities, the Governor may deduct an amount equal to the funds allocated to such employment and training activities or at-risk youth activities, as appropriate, from subsequent program years, from funds reserved for local

administration for such activities. The Governor may use such funds to repay any expenditures that are disallowed by the Secretaries that are found in relation to the same violation."

#### *Workers' Rights*

169. The Senate amendment, but not the House bill, contains limitations on the uses of funds.

The House recedes.

169a. The Senate amendment prohibits funds from being used to pay the wages of incumbent workers.

The House recedes.

169b. The Senate amendment restricts the use of funds in connection with the relocation of businesses.

The House recedes with amendments inserting "if such original location is within the United States."

170. Both the House bill and the Senate amendment prohibit the displacement of currently employed workers, although the House bill applies only to the adult employment and training and youth grants.

The House recedes.

171. Both the House bill and the Senate amendment prohibit the impairment of existing contracts. However, the House bill further requires that any program inconsistent with such an agreement must have the approval of the labor organization and the employer.

The Senate recedes with an amendment striking "under title II

or III" and inserting "carried out under this title".

172. Both the House bill and the Senate amendment prohibit the replacement of terminated employees, although there are several differences in content.

The Senate recedes with an amendment striking "title II or III" and inserting "this title"; striking "with the student" and inserting "by the participant"

173. Both the House bill and the Senate amendment address health and safety with different standards. The Senate amendment also requires standards for workers' compensation.

The House recedes with an amendment striking second sentence and inserting "To the extent that a State's workers' compensation law is applicable, then workers' compensation shall be provided to the participants on the same basis as the compensation is provided to other individuals in the State in similar employment."

174. The Senate amendment, but not the House bill, provides standards for employment conditions for subsidized employment.

The House recedes.

175. Both the House bill and the Senate amendment address anti-discrimination through different means.

**HOLD** -- subject to resolving issue in paragraph (B) referencing "Nothing in this Act"

The Senate recedes with an amendment inserting

"(a) EFFECT ON OTHER LAWS. Nothing in this Act shall be construed to modify or affect any Federal or State law prohibiting discrimination on the basis of race, religion, color, ethnicity, national origin, gender, age, or disability. Except as otherwise permitted in law, no individual may be discriminated against in workforce development activities carried out under this title

because of race, color, religion, sex, national origin, age or disability.

(b) EXCLUSIVE REMEDY. Except as provided in paragraph (a), nothing in this Act shall be construed to provide an individual with an entitlement to a service or to establish a right for a participant to bring any action for a violation of the prohibitions or requirements of this title or to obtain services under a program established under this title, except a participant may pursue a complaint alleging a violation of any of the prohibitions or requirements described in this title through the grievance procedure described in paragraph (8)."

(Manager's language on issue of "except as otherwise permitted in law")

176. The Senate amendment, but not the House bill, provides for a grievance procedure and remedies for violations under this section.

**HOLD** -- Randy checking and then drafting

176a. [New Note] The Senate amendment, but not the House bill, provides remedies that may be imposed under this paragraph for violations of the prohibitions and requirements described in this subsection.

**HOLD** -- Connected w/issue of Note 175

OFFER as of 5/9: The House recedes with an amendment inserting in paragraph (B)(I) "REPAYMENT. -- If the Secretary of Labor determines that a violation of paragraph (2) or (3) has occurred, the Secretary of Labor may require the State or service provider that has violated paragraph (2) or (3), respectively, to repay to the United States an amount equal to the amount expended in violation of paragraph (2) or (3), respectively."; and striking paragraph "(C)".

#### *GED Requirements*

177. The Senate amendment, but not the House bill, prohibits

participation in certain workforce employment activities until an individual has obtained a diploma or its equivalent, or is enrolled in a program to obtain the same.

The House recedes with an amendment inserting

"( ) LIMITATION ON PARTICIPATION. --

(1) DIPLOMA OR EQUIVALENT. --

(A) IN GENERAL. -- No individual may participate in training activities described in section\_\_, [see Note 333b] until the individual has obtained a secondary school diploma or its recognized equivalent, or is enrolled in a program or course of study to obtain a secondary school diploma or its recognized equivalent.

(B) EXCEPTION. -- Nothing in subparagraph (A) shall prevent participation in training activities described in section [see Note 333b] by individuals for whom such requirement is deemed inappropriate pursuant to interview, assessment and counseling services described in subparagraphs (2)(I), (ii), and (iii) [Note 333].

(2) SERVICES. --

(A) REFERRAL. -- If an individual who has not obtained a secondary school diploma or its recognized equivalent applies to participate in training activities described in section\_\_, [Note 333b], and such individual does not meet with the exception provided under paragraph (2)(B), such individual shall be referred to State approved adult education services that provide instruction designed to help such individual obtain a secondary school diploma or its recognized equivalent.

(B) PROVISION OF SERVICES. -- Funds made available for the provision of training services under section\_\_, may be used to provide State approved adult education services that provide instruction designed to help individuals obtain a secondary school diploma or its recognized equivalent to individuals who --

(I) are seeking to participate in training services described under section\_\_, and



(ii) are otherwise unable to obtain such services.

(Manager's language to be drafted by Don)

### *Drug Testing*

178. The Senate amendment, but not the House bill, requires local providers to administer a drug test to applicants, on a random basis, and to participants, upon reasonable suspicion of drug use.

**HOLD**

### *American Made*

179. The House bill, but not the Senate amendment, includes a provision encouraging the purchase of American-made products.

The Senate recedes with amendment striking "(b)".

### *No Entitlement to Services*

180. The House bill prohibits private rights of action for services under the adult employment and training title. The Senate amendment provides that no individual is entitled to services under the Act.

The House and Senate recede.

[NEXT NOTE BEGINS WITH 182]

## **LOCAL ROLE**

### *Establishment of Local Workforce Development Boards*

182. The House bill requires the Governor to ensure the establishment of workforce boards within each workforce development area. The Senate amendment allows, but does not require, the State to establish local workforce boards in each substate area. (See Note 130)

The Senate recedes with an amendment inserting "ESTABLISHMENT. There shall be established in each workforce development area a certified local workforce development board reflecting business and community interests in workforce development activities."

183. Both the House bill and the Senate amendment allow the Governor to establish criteria for use by local chief elected officials in the selection of members of local boards. The House bill requires the Governor to determine the criteria through the collaborative process. (See Note 131)

The House recedes with an amendment inserting

"STATE CRITERIA. The Governor of a State shall establish criteria for the appointment of members of the local boards for workforce development areas in the State in accordance with the requirements of paragraph\_\_ and which shall be included in the State plan."

184. Both the House bill and the Senate amendment include minimum requirements for representation on local workforce boards.

Legislative counsel.

184a. Both the House bill and the Senate amendment require a majority business representation. The House bill further specifies the types of representatives.

The Senate recedes with an amendment inserting "a majority of members who are representatives of business and industry in the workforce development area appointed from among nominations submitted by local business organizations and trade associations;"

184b. Both the House bill and the Senate amendment require representation of one or more individuals with disabilities.

The House and Senate recede.

184c. Both the House bill and the Senate amendment include representatives of education. The House bill further specifies the types of representatives, including training providers.

The House recedes with an amendment inserting after "institutions", "(including community colleges)" and inserting at the end of sentence "where such entities exist". [Need assistance from Legislative counsel for those localities that might not have such entities.]

184d. Both the House bill and the Senate amendment include representatives of community-based organizations, employees, and veterans. The Senate amendment includes a minimum 25% representation requirement for this category of representatives excluding veterans.

#### **HOLD**

OFFER: The Senate recedes with amendment inserting

- ( ) representatives of labor organizations and employees;
- ( ) ADDITIONAL MEMBERS. Additional members of a local workforce development board may include --
  - ( ) individuals with disabilities;
  - ( ) parents;
  - ( ) veterans;
  - ( ) community-based organizations.

185. The House bill requires that the local board elect its chairperson from among the members of its board, and allows the board to adopt its operating procedures. The Senate amendment requires that each local board select a chairperson from its business members.

The Senate recede with an amendment striking "(ii)".

186. The House bill includes provisions governing the selection of members of local workforce boards, including provisions governing the appointment of board members by locally-elected officials, in areas with multiple jurisdictions. The Senate amendment contains similar provisions governing selection of representatives of local partnerships, but not of local boards (See Note 199c).

The Senate recedes with amendment inserting

"ESTABLISHMENT OF BOARD. --

(1) APPOINTMENT OF BOARD MEMBERS AND ASSIGNMENT OF RESPONSIBILITIES.

(A) IN GENERAL. - The chief elected official is authorized to appoint the members of the local workforce development area, in accordance with the State criteria developed pursuant to paragraph ( ).

(B) MULTIPLE UNITS OF LOCAL GOVERNMENT IN AREA. - In the case of a workforce development area that is comprised of more than one unit of general local government, the chief elected officials of such units are authorized to --

(I) execute an agreement which defines the respective roles of the individual chief elected officials in the appointment of the members of the local workforce development board from the individuals nominated or recommended for such members, and any other responsibilities which may be assigned.

(ii) if after a reasonable effort the chief elected officials are unable to reach agreement as provided under paragraph (I), the Governor is authorized to appoint the members of the local

workforce development board from individuals so nominated or recommended."

187. The House bill, but not the Senate amendment, authorizes the Governor to biennially certify one local workforce board for each workforce development area. (See Note 133)

→ The Senate recedes with an amendment inserting

"(2) CERTIFICATION. - The Governor is authorized to annually certify one local workforce development board for each workforce development area.

(I) CRITERIA. Such certification shall be based on, among other things, the criteria set forth in the State plan under section () and the extent to which the local workforce development board has ensured that programs within the workforce development area have met expected levels of performance with respect to the benchmarks established under section().

(ii) PROCESS. Failure to achieve certification shall require the reconstitution of the workforce development board pursuant to the process described in this section.

(3) DECERTIFICATION. - Notwithstanding subparagraphs (I) and (ii), the Governor may decertify a local workforce development board at any time for [fraud or abuse]. Decertification may result in the reconstitution of the local workforce development board pursuant to a plan developed by the Governor in consultation with local elected officials."

188. Under the House bill, if the workforce development area is a State, the State collaborative process may serve as the local workforce development board. (See Note 133). The Senate amendment contains a comparable provision for the local partnership. (See Note 201)

The Senate recedes with an amendment inserting "EXCEPTION. [A State] that indicates in the State plan described in section\_\_ that the State will be treated as a workforce development area for

**REPORT LANGUAGE FOR NOTE 187**

**CERTIFICATION OF LOCAL WORKFORCE BOARDS**

**SUBMITTED BY SENATOR JEFFORDS**

**Staff Contact: Sherry Kaiman -- 4-2962**  
**Reg Jones -- 4-5141**

**REPT. LANGUAGE:** The reference to Governor in the certification process shall mean the Governor or the Governor's designee is authorized to certify local workforce boards.

purposes of the application of this subtitle may designate the individuals comprised in the collaborative process under section to carry out any of the functions described herein."

189. The House bill and the Senate amendment list certain duties/functions of local workforce boards.

Legislative counsel.

189a. Both the House bill and the Senate amendment require local workforce boards to develop, and submit to the Governor, a local workforce development plan. The House bill requires a biennial plan, and a local approval process. If the board is unable to obtain the approval of local officials, the plan may be submitted directly to the Governor, with the comments of such officials. The Senate amendment requires a 3-year plan, but contains no comparable local approval process, but does require that the board consult with chief elected officials. (See Note 193).

#### **HOLD**

The Senate recedes with an amendment inserting

(a) FUNCTIONS. -- The functions of the local workforce development board shall include --

(1) LOCAL WORKFORCE DEVELOPMENT PLAN. -- Each local workforce development board shall develop a comprehensive multi-year strategic plan that is consistent with the goals the plan established by the State under section\_\_. Such plan shall include the following information --

(A) an identification of the workforce development needs of local industries, job seekers, and workers;

(B) a description of workforce development activities to be carried out in the local area as required under section\_

(reference to employment & training section) and section (reference to at-risk youth section), that with programs established under Wagner-Peyser Act, contribute to a coherent workforce development system;

© a description of the local benchmarks negotiated with the Governor pursuant to section (), consistent with benchmarks negotiated with the State pursuant to section\_\_, to be used by the board for measuring the performance of local service providers and the performance of the one-stop career center system;

(D) a description of the process negotiated with the Governor pursuant to section() that the local board will use to establish or certify and to assure the continuous improvement of one-stop career centers and service providers in the local workforce development area, which -

(I) ensures that the most effective and efficient service providers are chosen;

(ii) ensures that local providers continue to meet the labor market needs of local employers and program participants,; and

(iii) fully utilizes activities authorized under the Wagner-Peyser Act.

(E) a description of how the local board will obtain the continued input of the chief elected official or officials in the local area in carrying out its duties;

(F) a description of how the local workforce development board will obtain the active and continuous participation of business and industry, representatives of employees, local educational agencies, postsecondary education institutions, adult education and literacy providers, local service providers, community-based organizations, parents and consumers (including individuals with disabilities, older workers, and veterans) in the workforce development area;

(G) a description of the steps the local board will take to work with local educational agencies, postsecondary educational institutions, adult education and literacy providers, and others to address the local employment, education, and training needs;



(H) a description of the process used to fully involve business, [labor organizations], the local education community (including teachers), parents and community-based organizations in the development and implementation of at-risk youth activities, including a description of the process used to ensure that the most effective and efficient providers of services are chosen;

(Manager's language on involvement of parents and cbo's by Dwayne)

(I) such other information as the Governor may require.

[OFFER by Mary on 5/14 to include:

(2) DESIGNATION AND OVERSIGHT RESPONSIBILITIES --

(A) One-Stop career Centers. -- Consistent with the agreement negotiated with the Governor under subsection (b), the local board is authorized to designate or certify one-stop career center providers, and to conduct oversight over such providers, in the workforce development area.

(B) At-Risk Youth Service Providers. -- The local board is authorized to award competitive grants to eligible at-risk youth providers, and to conduct oversight over such providers, in the workforce development area.

(3) IDENTIFICATION OF QUALIFIED TRAINING PROVIDERS. -- Consistent with the requirements established under section\_\_[identification of eligible training providers], the local board is authorized to work with the State in the identification of qualified providers of training in the workforce development area, for participation in employment and training activities established under section\_\_."]

190. The Senate amendment, but not the House bill, requires the local board to enter into local agreements with the Governor including how funds shall be spent for workforce development activities. (See Note 199).

The Senate recedes.

191. The House bill requires the local board to identify and

assess the needs of the local workforce development area. A similar provision is included in the Senate amendment under the local plan.

The House recesses.

192. The House bill and the Senate amendment contain budget and oversight duties for the local board. (See related Note 192b)

The House recesses.

192a. The House bill requires the local board to develop a budget for the adult training and the at-risk youth programs, and the integrated career center system, subject to the approval of the local elected official(s). (See related Note 192b)

The House recesses.

192b. The House bill requires the local board (in partnership with the local elected official(s)) to conduct oversight of the above-listed programs. The Senate amendment requires the local board to oversee the operation of the one-stop delivery system, including the designation of local entities and approval of annual budgets. (See related Note 192a)

The House recesses with an amendment inserting

"(2) NEGOTIATIONS.

(A) LOCAL BENCHMARKS. --

(I) The local board and the Governor shall negotiate and reach agreement on benchmarks with respect to meaningful employment goals for the workforce development area. In determining such benchmarks, the Governor and the local board shall take into account the State's meaningful employment goals and benchmarks, as well as specific economic, demographic, and other characteristics of the populations to be served in the workforce development area.

(ii) If the workforce development area fails to meet expected

levels of performance on such negotiated benchmarks, the Governor may provide technical assistance to the local board to improve its level of performance.

(B) LOCAL ONE-STOP DELIVERY OF SERVICES. - Consistent with criteria established in the State plan under section\_\_, the local board and the Governor shall negotiate and reach agreement --

(I) on the designation or certification of one-stop career center providers in the workforce development area, including a determination of the role of providers of activities authorized under the Wagner-Peyser Act in the one-stop delivery of services in the workforce development area; and

(ii) on the continued role of the local board in conducting oversight over such programs, including the local board's ability to terminate the participation of providers of such programs for cause.

PROVISO. -- In workforce development areas where a one-stop career center has been established prior to the date of enactment of this Act, the local board and the Governor may agree to certify such one-stop carer center for purposes of this paragraph."

192c. The Senate amendment, but not the House bill, also requires the local board to submit annual progress reports to the Governor.

The Senate recesses.

193. The Senate amendment requires that the local board's functions be conducted in consultation with the local chief elected official(s). (See Notes 189a, 192a and 192b for related House provisions)

The House recesses with an amendment inserting

"CONSULTATION. -- The local board shall --

(A) consult with the local elected official or officials (in

any cases in which there are 2 or more units of general local government in the workforce development area involved) in the development of the local workforce development plan;

(B) provide the local elected official or officials with copies of the workforce development plan;

© allow such official or officials to submit to the local board, not later than the end of the 30-day period beginning on the date on which the local board provides such official or officials with copies of such plan under subparagraph (B), comments on such plan; and

(D) accept and include with the local workforce development plan submitted under section\_\_\_ any disagreeing views submitted by the official or officials."

194. The House bill provides that the local board may receive and disburse funds for adult training and at-risk youth programs, or may designate a fiscal agent (which may include the State through a mutual agreement between the local board and the State). The Senate amendment contains no comparable provision.

The House recedes.

194a. The House bill allows the local board to employ its own staff. The Senate amendment contains no comparable provisions.

The House recedes. (Manager's language to be drafted by Mary on employing staff)

195. The House, but not the Senate amendment, specifies that the local board may not operate programs established under this Act. The House bill further allows Governors to prohibit employees of agencies from providing staff support to local boards.

The Senate recedes with an amendment inserting

"LIMITATION.--

(A) IN GENERAL. Except as provided in subparagraph (B), no local board may carry out a workforce development activity.

(B) WAIVERS. The Governor of the State in which the local board is located may grant written waiver of the prohibition set forth in subparagraph (A) to the board."

196. The House bill and the Senate amendment contain similar conflict of interest provisions. Under the House bill, the Governor is authorized to enforce more rigorous standards. The Senate amendment allows the Governor to determine activities that constitute a conflict of interest. The Senate amendment also prohibits local board members from voting on matters that would benefit immediate family members.

The Senate recedes with an amendment inserting

"CONFLICT OF INTEREST. -- No member of a local board may --

(A) vote on a matter under consideration by the board --

(I) regarding the provision of services by such member (or by an organization that such member represents); or

(ii) that would provide direct financial benefit to such member or the immediate family of such member; or

(B) engage in any other activity determined by the Governor to constitute a conflict of interest.

197. The House bill allows the Governor, through the collaborative process, to require local boards to carry out other duties as determined appropriate.

The House recedes.

198. Under the Senate amendment, but not the House bill, if a State elects to establish State and local boards, or elects to

offer services through vouchers (starting in the year 2000), it may use up to 50% of its flex account funds for economic development. (See Note 132)

The Senate recesses.

### *Local Agreements*

199. The Senate amendment, but not the House bill, requires the Governor to enter into agreements with local partnerships (or where established, local boards), regarding workforce development activities in each substate area.

The Senate recesses.

199a. Under the Senate amendment, the local partnership (or local board) may make recommendations on the allocation of funds for, or administration of, workforce education activities, in accordance with the Act.

The Senate recesses.

199b. The Senate amendment requires that local partnerships be established by the chief local elected official and includes representation requirements.

The Senate recesses.

199c. The Senate amendment provides for the appointment of the partnership, by local elected officials, in areas with multiple jurisdictions. (See Note 186 for comparable House provision).

The Senate recesses.

199d. The Senate amendment includes required representation of

business in the partnership, and a requirement that business representatives have a lead role in the partnership's activities.

The Senate recesses.

199e. The Senate amendment lists the contents of the local partnership agreement.

The Senate recesses.

200. Under the Senate amendment, but not the House bill, if the Governor is unable to reach agreement with the local partnership (or board), the Governor shall provide the local partnership (or board) an opportunity to comment on fund allocation.

The Senate recesses.

201. The Senate amendment allows a State to be treated as a substate area for purposes of the partnership and local board requirements. (See Note 188 for comparable House provision.)

The Senate recesses.

## **USE OF FUNDS**

### *Education/Youth*

202. Both the House bill and the Senate amendment reserve funds for State activities.

The House bill grants general authority to States to conduct State programs and activities using not more than 8% of funds allotted to the State. The Senate amendment requires the State educational agency to carry out statewide workforce education activities using 20% of funds made available to the State. (See Note 218a)

The Senate recede with an amendment striking second "State" on line 12 and inserting "eligible agency".

203. The House bill specifically lists 12 permissible activities for which the 8% of State funds may be used. The Senate amendment lists 3 broad categories of permissible activities for which 20% of the State funds may be used.

The Senate recedes with an amendment inserting

"STATE USES OF FUNDS. -- The programs and activities described in subsection (a) may include --

(1) an assessment of programs conducted with assistance under this title;

(2) the support of tech-prep education;

(3) support for workforce preparation programs for single parents, displaced homemakers, and single pregnant women;

(4) support for corrective vocational education;

(5) professional development activates including --

(A) inservice and preservice training in state-of-the-art programs and techniques; and

(B) support of public teacher-education programs to ensure vocational teachers stay current with the needs, expectations, and methods of industry;

(6) leadership and instructional programs in technology education;

(7) support for cooperative education;

(8) support for family and consumer science programs;

(9) support for vocational student organizations;

(10) improving career guidance and counseling;



(11) support for programs that offer experience in and understanding of all aspects of the industry students are preparing to enter;

(12) provide technical assistance; and

(13) making performance awards to one or more eligible institutions or local providers that have achieved exceptional performance in vocational education activities.

203a. The House bill, but not the Senate amendment, allows a State to use money from their 8% State held funds to make performance awards to local communities who have exceeded their performance goals, implemented exemplary youth programs at the local level, or provided exemplary education services and activities for at-risk youth.

The House recesses.

204. The House bill, but not the Senate amendment, requires institutions receiving funds at the local level under the youth development and career preparation grant to use the monies to improve youth development and career-related education programs.

The House recesses with an amendment striking title and inserting "Local Programs and Activities for Vocational Education".

205. Both the House bill and the Senate amendment have required uses of funds. The House bill requires that funds received by eligible institutions at the local level for in-school youth programs shall be used for specific programs. The Senate amendment requires that funds received by the State educational agency shall be used for specific workforce education activities.

The Senate recedes with an amendment inserting "LOCAL USES OF FUNDS. --

Funds provided by a State to an eligible agency pursuant to section\_\_, shall be used to provide vocational education activities that include - "

205a. Both the House bill and the Senate amendment require integration of academic and vocational education, linkages of secondary and postsecondary education, and career guidance and counseling. In addition, the Senate amendment requires tech-prep to be implemented as part of linking secondary and postsecondary education.

The House recedes with an amendment inserting "(1) integration of --

"(I) academic and vocational education;

(ii) classroom and worksite learning; and

(iii) secondary and postsecondary education, including tech-prep programs.

(2) career guidance and counseling.

205b. Both the House bill and the Senate amendment have additional required uses of funds.

The Senate recedes with an amendment inserting

"(3) are of such size, scope, and quality as to be effective;

(4) improving and expanding access to quality, state-of-the-art vocational education activities;

(5) providing professional development;

(6) involvement of business and parents in the design and implementation of vocational education activities."

(Manager's language on additional uses of funds -- to be drafted by Becky and Heather Stevens.)

206. The House bill, but not the Senate amendment, lists eleven additional permissible uses of funds by eligible institutions at the local level for in-school youth programs.

The House recede.

#### *At-Risk Youth*

207. The House bill, but not the Senate amendment, grants general authority for local workforce development boards to subgrant to providers for programs that serve at-risk and out-of-school youth. (See Note 283)

The House recedes.

208. The Senate amendment, but not the House bill, grants authority to the Secretary of Labor and Secretary of Education, acting jointly on the advice of the Federal Partnership, to make allotments to States to enable the Secretary of Labor and the States to carry out at-risk youth programs. (See Note 284)

The Senate recedes.

209. The Senate amendment, but not the House bill, requires the Secretary of Labor to continue funding for Job Corps centers who received assistance under part B of title IV JTPA in FY 1996 and which were not closed under section 156. (See Note 285)

The Senate recedes. .

210. The Senate amendment, but not the House bill, requires States

to use a portion of the funds reserved for Indians and Native Hawaiians to make grants to eligible entities to run summer job programs that provide work-based learning opportunities that are directly linked to year-round school-to-work activities. The Senate amendment further requires that no funds shall be used to displace employed workers. (See Note 286)

[Statutory cite to subsection (c)(3) is incorrect. Statutory cite should be subsection (c)(4) which is the allotment for at-risk youth.]

The Senate recesses.

211. The House bill, but not the Senate amendment, lists 8 program elements which local workforce development boards are required to provide for at-risk and out-of-school youth. (See Note 210 for the Senate amendment's required activities.)

The House recesses.

212. The House bill lists additional permissible uses of funds by eligible providers at the local level for at-risk/out-of-school youth programs. (See Note 288). The Senate amendment permits States to make grants to eligible entities to carry out alternative programs or other activities for at-risk youth. The activities are not specifically listed.

The House and Senate recesses.

213. The House bill, but not the Senate amendment, limits administrative funds used by a local workforce development board to no more than 10%. (See Note 289)

The House recesses.

214. The House bill, but not the Senate amendment, does not permit

local workforce boards to operate programs (See Note 195), and requires that they subcontract to eligible providers. (See Note 290)

The House recedes.

215. The House bill, but not the Senate amendment, lists eligible providers to receive contracts from the local workforce development board including: 1) eligible institutions including local educational agencies, area vocational schools, intermediate educational agencies; postsecondary institutions including community colleges, State corrections educational agency and any consortia of the aforementioned list; 2) local government entities; 3) private, nonprofit organizations including community based organizations; 4) private, for-profit entities; or 5) other organizations or entities that have a demonstrated effectiveness and have been approved by the local workforce development board. (See Note 291)

The House recedes.

#### *Maintenance of Effort*

216. The Senate amendment, but not the House bill, requires that States expend the same amount of money, or more, for workforce education activities as they did the preceding fiscal year in order to receive Federal funds. The Senate amendment further provides that the Federal Partnership may grant a waiver to a State for a 95% maintenance-of-effort requirement for 1 year only.

The House recedes with an amendment inserting

"(A) DETERMINATION -- No payment shall be made under this subtitle for any program year to a State for vocational education and adult education and literacy activities unless the Department of Education determined that the fiscal effort per student of the aggregate expenditures of such State for workforce education for the program year preceding the program year for which the determination is made, equaled or exceeded such effort or

expenditures for workforce education for the second program year preceding the fiscal year for which the determination is made, except that a reduction of Federal support shall reduce the State maintenance-of-effort requirement by the same percentage;"

(B) WAIVER. -- Keep Senate language with conforming and technical changes.

© The maintenance of effort calculation shall not include capital expenditures, special one-time project costs or similar windfalls, or pilot programs.

(D) Notwithstanding any other provisions of the Carl D. Perkins Vocational Education Act, a State will be deemed to have maintained fiscal efforts pursuant to section 503 of that Act in regard to any claims appealed through applications for review filed on April 30, 1993 or October 29, 1993 pursuant to section 452(b) of the General Education Provisions Act."

#### *Limitations*

#### *Supplement not Supplant*

217. Both the House bill and the Senate amendment provide that funds used by a State shall supplement and not supplant other public funds for workforce education and youth development and career preparation programs. The House requirement applies to youth development programs, not adult education. The Senate amendment applies to workforce education programs.

The House recedes with an amendment striking "workforce" and inserting "vocational" in both references.

#### *Allocation for State/Local Programs*

218. Both the House bill and the Senate amendment have a within State allocation. (See related Note 293)

Legislative counsel.

218a. The House bill provides that the Governor, through the collaborative process, allocate not less than 90% of funds to the local level. The Senate amendment provides that the State educational agency distribute 80% of funds to eligible local entities.

The Senate recedes with an amendment striking "Governor, through the collaborative process," and inserting "eligible agency".

218b. The House bill requires not less than 90% of a State's funds for the youth block grant go to the local level to serve in-school and at-risk/out-of-school youth, not more than 8% for State programs and not more than 2% for administration. The Senate amendment requires that 80% of a State's funds for workforce education go to the local level, and 20% for State activities (with no more than 5% of such 20%) for administration.

The Senate recedes with an amendment striking "90" and inserting "85"; striking "local providers" and inserting "entities eligible for funds under section\_\_"; striking "8" and insert "11"; and striking "2" and insert "4".

**NOTE** -- have to deal w/issue of administrative funds when dealing w/the flex account.

219. The Senate amendment provides that the State educational agency shall determine how workforce education funds are allocated among secondary vocational education, postsecondary vocational education and adult education programs. The House bill provides separate funding streams for a youth development and career preparation grant and for an adult education and literacy grant.

The House recedes with an amendment striking "State educational agency" and inserting "eligible agency"; striking reference to "section 114"; striking "workforce" and inserting "vocational"; and striking "(B)".

220. The House bill, but not the Senate amendment, requires that of the 90% of funds sent to the local level, not less than 40% of the funds must be used for programs serving in-school youth and not less than 40% of the funds must be used for programs to serve at-risk and out-of-school youth. Of the remaining 20% of funds, the Governor, through the collaborative process, can distribute one-half of the remaining funds by formula and one-half by either discretionary grant or formula.

The House recesses.

#### *Within State Formula*

221. Both the House bill and the Senate amendment provide for a within State formula.

Legislative counsel.

221a. The House bill requires the Governor, through the collaborative process, to develop a formula taking into account local poverty rates, the proportion of the State's youth population residing within local communities and other factors considered appropriate. In establishing the formula, the Governor shall ensure that funds are equitably distributed throughout the State and that the factors described above do not receive disproportionate weighting.

The House recesses with an amendment striking "State educational agency" and inserting "eligible agency" and conforming amendments to section references.

221b. The Senate amendment requires distribution of funds for secondary school vocational education to be distributed according to the current Perkins law formula -- 70% allocated on Title I ESEA formula, 20% allocated based on the number of children served under



IDEA, and 10% allocated on the total number of students enrolled in schools and adults enrolled in training programs under the jurisdiction of local educational agencies.

**HOLD**

GOP HOUSE OFFER: The House recedes with an amendment inserting

(1) SEVENTY PERCENT. -- From 70 percent of such portion, each local educational agency shall be allocated an amount that bears the same relationship to such 70 percent as the number of children aged 5-17 living in poor families. For the purposes of this section, the Secretary shall determine the number of children aged 5-17, inclusive, from families below the poverty level on the basis of the most recent satisfactory data available from the Department of Commerce."

(2) THIRTY PERCENT. -- From 30 percent of such portion, each local educational agency shall be allocated an amount that bears the same relationship to such 30 percent as the number of students enrolled in schools and adults enrolled in training programs under the jurisdiction of such local educational agency for the preceding fiscal year bears to the number of students enrolled in schools and adults enrolled in training programs under the jurisdiction of all local educational agencies in the State for such year.

(b) LIMITATIONS. -- No entity shall receive an allotment under this section for a program year an amount that would make the entity's percentage for the programs year --

(1) less than the product obtained by multiplying --

(a) 0.98 and

(b) the entity's percentage of the total State allotment for the preceding program year; or

(2) greater than the product obtained by multiplying --

(a) 1.02 and

(b) the entity's percentage of the total State allotment for the preceding program year."

222. Both the House bill and the Senate amendment establish minimum grant awards of \$15,000 for a local educational agency or consortium of such agencies.

The House recesses.

223. Both the House bill and the Senate amendment permit a State to grant a waiver for the minimum grant amount in cases where the eligible recipient is located in a rural, sparsely populated area; and demonstrates that they are unable to enter into a consortium for purposes of providing services.

The House recesses with an amendment striking State educational agency and inserting eligible agency."

224. The Senate amendment, but not the House bill, requires that any funds not allocated by reason of minimum grant award for secondary school vocational education shall be redistributed to local educational agencies.

The House recesses.

225. The Senate amendment, but not the House bill, retains current Perkins law prohibiting funds from being allocated to a local educational agency that serves only elementary schools.

The House recesses.

226. The Senate amendment retains current Perkins law in allocating funds to area vocational education schools or educational service agencies. The House bill provides funding for area vocational education schools and educational service agencies in the within State formula. (See Note 221a)

**HOLD**

GOP HOUSE OFFER: The House recedes with an amendment:

Line 5 strike "educational agency".

Line 7 strike "111(b)(4)(A)" and insert appropriate cite.

Line 18 strike "; and" and insert "."

Strike lines 20 to end of line 32.

Line 41 strike "described in paragraph (1)(B)(I)".

Page 126, strike all from Line 5 to end of Line 33.

Line 36 strike "educational agency".

Page 126

Strike all from line 5 through the end of line 33.

Line 36 strike "educational agency"

Page 127

Line 9, strike all after "effective" to end of line 10.

Line 11 strike "agency"

Line 16 strike "State educational agency" and insert "eligible agency"

227. The Senate amendment, but not the House bill, retains current Perkins law which provides that funds for postsecondary and adult vocational education shall be distributed according to the formula in current Perkins law which gives priority to institutions serving Pell Grant and Bureau of Indian Affairs recipients. The House bill provides funding for postsecondary education in the within State formula. (See Note 221a)

**HOLD**

GOP HOUSE OFFER: The House recedes with amendment as follows:

Line 31 strike "State educational agency".

Line 33 strike section number and insert appropriate cite; insert after section cite "shall distribute funds to eligible institutions or consortia of the institutions within the State."

Strike lines 35-38.

227a. The Senate amendment, but not the House bill, allows the Federal Partnership to waive the postsecondary and adult vocational education formula in favor of a more equitable distribution of funds upon application from the State educational agency.

The House recedes with an amendment inserting

"(b) WAIVER FOR MORE EQUITABLE DISTRIBUTION. -- The Secretary of Education may waive the application of subsection (a) in the case of any eligible agency that submits to the Secretary an application for such waiver that --

(1) demonstrates that the formula described in subsection (a) does not result in a distribution of funds to the institutions or consortia within the State that have the highest numbers of low-income individuals and that an alternative formula will result in such a distribution; and

(2) includes a proposal for such an alternative formula."

228. Both the House bill and the Senate amendment establish minimum grant awards of \$50,000 to postsecondary institutions or consortium of such institutions.

The House recedes.

229. The House bill, but not the Senate amendment, allows secondary-postsecondary institutions to form consortia to receive grant funds with a minimum award of \$50,000.

~~HOLD~~ HR

GOP HOUSE OFFER: The Senate recedes.

5/10 -- Proposal from David.

"() Secondary/Postsecondary Programs. An institution or consortia of institutions eligible for funds under section \_\_, [postsecondary allocation] that forms a consortia with an institution or consortia of institutions eligible for funds under section \_\_, [secondary allocation] shall receive an allocation of not less than \$75,000

from funds provided under section\_\_[postsecondary allocation] for joint programs linking(integrating) secondary and postsecondary education"

230. The Senate amendment, but not the House bill, requires that any funds not allocated by reason of minimum grant awards for postsecondary and adult vocational education shall be redistributed to eligible institutions.

The House recesses.

231. The House bill, but not the Senate amendment, prevents consortium from forming to receive funds and then separate immediately after and divide the funds. The House bill further requires that consortia must form for the purposes established under the youth development and career preparation title and to stay in a consortia arrangement for purposes of delivering services to youth.

The Senate recesses with conforming amendments.

232. The House bill, but not the Senate amendment, establishes minimum grant awards of \$15,000 for local workforce development boards to serve at-risk/out-of-school youth. (Section repeated. See Note 295)

The House recesses.

233. The Senate amendment requires States to reserve an amount of funds from the amount they receive for postsecondary and adult vocational education to distribute to State corrections agencies. The House bill allows States to use funds from their 8% of State monies for corrections education. (See Note 203)

**HOLD**

GOP HOUSE OFFER: The Senate recesses.

234. The Senate amendment, but not the House bill, includes definitions for "eligible institution," "low-income," and "Pell Grant recipient" that only apply to the within State formula.

The House recedes with an amendment striking "eligible institution" and striking "low-income" definitions and moving the definition of "Pell Grant recipient" to the general definitions section.

#### *Local Process for Receipt of Funds*

235. The House bill, but not the Senate amendment, states that in order to receive a grant at the local level, the local workforce development board and eligible institution(s) must form a partnership. The purpose of the partnership is to allow for collaborative planning, coordination of programs serving in-school and at-risk/out-of-school youth and allow for effective public participation. (See Note 296)

The House recedes.

236. Both the House bill and the Senate amendment provide for a local application. (The Senate amendment has a separate at-risk application. See related Note 297b)

The House recedes with an amendment inserting

"()IN GENERAL. -- Each eligible entity desiring financial assistance under [paragraph] for vocational education activities shall submit an application to the eligible agency at such time, in such manner and accompanied by such information as such agency (in consultation with such other educational entities as the eligible agency determines to be appropriate) may require. Such application shall cover the same period of time as the period of time applicable to the State plan."

236a. The House bill states that the partnership must develop and submit for approval to the Governor, through the State collaborative process, a comprehensive plan outlining how they are planning to serve both in-school and at-risk/out-of-school youth.

The House recesses.

236b. The Senate amendment requires each eligible entity to submit an application to the State educational agency for funding of workforce education activities (including vocational education activities for youth and adults). The Senate amendment further includes a list of items to be included in the application.

The House recesses with an amendment inserting

"() DEFINITION. -- For the purpose of this section the "eligible entity" means an entity eligible for financial assistance under section\_\_\_ or section\_\_\_ from an eligible agency.

(b) CONTENTS. -- Each application described in subsection (a) shall, at a minimum --

(1) describe how the vocational education activities required under section\_\_\_, will be carried out with funds received under this [paragraph]

(2) describe how the activities to be carried out relate to meeting the State goals, and reaching the State benchmarks, concerning vocational education activities;

(3) describe how the eligible entity will address the needs of students who take part in vocational education activities to be taught to the same challenging academic proficiencies as all students;

(4) describe the process that will be used to independently evaluate and continuously improve the performance of the eligible entity; and

(5) describe how the eligible entity will coordinate the activities of the entity with the activities of the local workforce

development board, if any, in the workforce development area; and

(6) describe how parents, teachers, and the community are involved in the development and implementation of activities under this section."

237. The House bill, but not the Senate amendment, requires the partnership assure the involvement of parents, teachers and the local community in the planning process. (See Note 298)

The House recesses.

238. The House bill, but not the Senate amendment, provides that the Governor, through the collaborative process, is authorized to develop procedures for the resolution of issues in dispute. (See Note 299)

The House recesses.

239a. The House bill outlines that funds directed to the local level from the State to serve in-school youth must go to schools and eligible institutions. Funds directed to the local level from the State to serve at-risk youth will be sent to the local workforce development board to be subgranted to eligible entities for programs to serve at-risk and out-of-school youth.

The House recesses.

239b. The Senate amendment distributes secondary and postsecondary workforce education funds by formula to schools. (See Notes 221, 226, & 227). At-risk youth funds are distributed by competitive grants to local entities. (See Note 300)

The Senate recesses.

*Adult Education and Literacy*



240. The House bill and the Senate amendment provide funds for adult education and literacy. The House bill provides a separate Adult Education and Family Literacy Block Grant. The Senate amendment provides that the State educational agency shall determine how workforce education funds are allocated among secondary vocational education, postsecondary vocational education and adult education and literacy programs. (See Note 219)

The Senate recesses.

241. The House bill, but not the Senate amendment, requires States to use 3% off the top of their Adult Education Block Grant to provide funds, on a competitive basis to local service providers that have provided adult education or family literacy services to certain target populations.

The House recesses.

242. The House bill provides that States may use no more than 12% of funds received under the Adult Education Block Grant, after the deduction of the 3% for target populations, for a variety of specified activities. The Senate amendment lists 3 broad categories of permissible activities for which 20% of workforce education funds reserved at the State level may be used.

The Senate recesses with an amendment inserting

"(3) OTHER STATE ACTIVITIES. -- A State may use not more than 10 percent of the funds paid to the eligible agency under this subtitle for any fiscal year for activities that may include --

(A) The establishment or operation of professional development programs to improve the quality of instruction provided in local adult education and literacy programs, including instruction provided by volunteers.

(B) The provision of technical assistance to entities eligible under this section.

© The provision of technology assistance to local service

providers to enable them to improve the quality of their programs, services, and activities.

(D) The support of or regional networks of literacy resource centers. -

(E) Monitoring and evaluating the quality of services and activities."

### *Matching*

243. The House bill, but not the Senate amendment, requires that a State receiving a grant shall spend, from non-Federal funds, an amount equal to 25% of the State's initial and additional allotments of the year for adult education and family literacy services.

The Senate recedes with an amendment striking "and family literacy services" and inserting "activities".

244. The House bill, but not the Senate amendment, provides that States may use no more than 3% of their block grant, or \$50,000, whichever is greater, for planning, administration, interagency coordination and support for integrated career center systems. The Senate amendment requires that 80% of a State's funds for workforce education go to the local level, and 20% for State activities (with no more than 5% of such 20%) for administration. (See Note 218a)

The Senate recedes with an amendment inserting

"() ADMINISTRATIVE EXPENSES. -- For any fiscal year, an eligible agency may use not more than 5 percent of the funds paid to the State under this subtitle or \$50,000, whichever is greater, for administrative expenses."

245. The Senate amendment, but not the House bill, sets a local

administrative cost limit of 5% on agencies, organizations, institutions or consortiums which provide adult education instructional activities. Such funds may be used for planning, administration, personnel development and interagency coordination.

The Senate amendment further allows the State educational agency to negotiate with grant recipients in cases where cost limits would be too restrictive to permit them from carrying out allowable activities.

The House recedes with an amendment striking "State educational agency" and inserting "eligible agency" in paragraphs (1) and (2).

#### *Distribution*

246. The House bill and the Senate amendment provide for the distribution of funds to local providers.

Legislative counsel.

246a. The House bill provides that States are to use 85% of funds under the block grant to make grants, on a competitive basis, to local service providers. The Senate amendment provides that a State educational agency shall award grants for adult education, on a competitive basis to eligible entities and/or a consortia of such entities.

The House recedes with an amendment inserting after the word "shall", "use 85 percent of such amount to".

246b. The House bill and the Senate amendment have similar lists of eligible entities, but the House provision is contained under its "equitable access" provisions. (See Note 247a)

The House recedes with an amendment inserting at the end of

the paragraph "or family literacy services."

247. Both the House bill and the Senate amendment provide a list of grant requirements.

Legislative counsel.

247a. Both the House bill and the Senate amendment include a provision requiring direct and equitable access to all eligible entities.

The House recedes with amendment striking "State educational agency" and inserting "eligible agency,"; inserting "(2) An eligible agency shall not expend the grant for the purpose of supporting or providing programs, services, or activities for individuals who are not adults, except if such programs, services, or activities are related to family literacy services."

247b. The House bill, but not the Senate amendment, requires a State to give priority to local service providers which demonstrate joint planning with local workforce development boards and integrated career center systems.

The House recedes.

247c. The Senate amendment, but not the House bill, requires States to consider the past effectiveness of applicants in providing services, the degree to which the applicant will coordinate and utilize other literacy and social services available in the community and the commitment of the applicant to serve those in the community who are most in need of literacy services.

The House recedes with an amendment striking "State educational agency" and inserting "eligible agency"; striking in (B) "and utilize" and inserting "with"; and inserting in © after the word "community", "including one-stop career center systems".

248. The Senate amendment, but not the House bill, allows a State educational agency under certain circumstances to award a grant to a consortium that includes an eligible entity and a for-profit agency, organization or institution.

The House recedes with an amendment striking "State educational agency" and inserting "eligible agency".

249. The House bill, but not the Senate amendment, allows a local service provider which receives a grant from a State under this subtitle to negotiate with a local workforce development board with respect to receipt of payments for adult education and literacy services provided by a provider to adults referred to the provider by a program supported by other titles of the House bill.

The House recedes.

250. The House bill, but not the Senate amendment, authorizes a local service provider receiving a grant under this block grant to receive payment for adult education and literacy services provided to an adult participating in programs authorized under other titles of the House bill, either in the form of a career grant or by some other means.

The House recedes.

251. The Senate amendment, but not the House bill, requires each eligible entity to submit an application to the State educational agency for funding of workforce education activities (including adult education activities). (See Note 236b)

The Senate recedes.

#### *Use of Funds*

252. The House bill requires that local services providers which

receive a grant must use such grant to establish or operate one or more programs that provide instruction or services within one or more of the following categories: adult basic education, adult secondary education, English literacy instruction, and family literacy services.

The Senate amendment lists literacy and basic education services for adults and out-of-school youth, including adults and out-of-school youth in correctional institutions and programs for adults and out-of-school youth to complete their secondary education among their list of Workforce Education Activities. (See Senate Section 106(b)(4)(5))

The Senate recedes with an amendment inserting

"(b) LOCAL USES OF FUNDS. -- An eligible agency shall require that a local service provider that receives a grant from the eligible agency under paragraph (1) or (2) of subsection (a) use the grant to establish or operate one or more programs that provide instruction or services within one or more of the following categories:

- (1) Adult education services;
- (2) English literacy services; and
- (3) Family literacy services;

as defined under this Act."

*National Literacy Act*

253. Both the House bill and the Senate amendment allocate funds for the National Institute of Literacy.

The House bill reserves \$4.5 million in each fiscal year for the National Institute for Literacy. Such funds are reserved at the Federal level before distribution to the States.

The Senate amendment reserves 0.15% of the \$5,884,000,000 authorization (\$8,830,000) for four programs, including funds for the National Institute for Literacy.

The Senate recedes with an amendment inserting "NATIONAL INSTITUTE FOR LITERACY. -- There shall be authorized an appropriation of \$10 million for fiscal year 1997 and such sums through fiscal year 2002."

254. Both the House bill and the Senate amendment establish the National Institute for Literacy.

The House bill requires the Institute to be administered under the terms of an interagency agreement entered into by the Secretary of Education with the Secretaries of Labor and Health and Human Services (the Interagency Group).

The Senate amendment requires the Institute to be administered by the Federal Partnership established under the Workforce Development Act of 1995.

The Senate recedes.

255. Both the House bill and the Senate amendment allow the inclusion in the Institute of any research and development center, institute or clearinghouse whose purpose is related to the purpose of the Institute.

Legislative counsel.

256. The Senate amendment, but not the House bill, requires the Institute to have offices separate from the offices of the Department of Education or the Department of Labor.

The House recesses.

257. Both the House bill and the Senate amendment require the Interagency Group (Federal Partnership) to consider recommendations of the National Institute for Literacy Advisory Board (National Institute Council) in planning the goals of the Institute and implementing programs to achieve such goals. Both the House bill and the Senate amendment require the daily operations to be carried out by the Director of the Institute.

The Senate amendment, but not the House bill, requires the Federal Partnership to provide a written explanation to the Council if it does not follow the Council's recommendations and allows the Council to request a meeting to discuss the Council's recommendations.

The Senate recesses.

258. Both the House bill and the Senate amendment set forth the duties and activities of the Institute, with differences.

The Senate recesses with an amendment inserting

"()IN GENERAL. -- The Institute shall improve the quality and accountability of the adult basic skills and literacy delivery system by:

(1) providing national leadership for the improvement and expansion of the system for delivery of literacy services;

(2) coordinating the delivery of such services across federal agencies;



(3) identifying effective models of basic skills and literacy education for adults and families that are essential to success in job training, work, the family, and the community;

(4) supporting the creation of new methods of offering improved literacy services;

(5) funding a network of State or regional adult literacy resource centers to assist State and local public and private nonprofit efforts to eliminate illiteracy by --

(a) encouraging the coordination of literacy services carrying out evaluations of the effectiveness of literacy and adult education programs and services;

(b) enhancing the capacity of State and local organizations to provide literacy services; and

© serving as a reciprocal link between the National Institute for Literacy and service providers for the purpose of sharing information, data, research, expertise and literacy resources.

(6) supporting the development of models at the State and local level of accountability systems that consist of goals, performance measures, benchmarks, and assessments that can be used to improve the quality of literacy and adult services;

(7) providing technical assistance, information, and other program improvement activities to national, State, and local organizations, such as --

(I) providing information and training to State and local workforce development boards and one-stop career centers concerning how literacy and basic skills services can be incorporated in a coordinated workforce development model;

(ii) improving the capacity of national, State and local public and private literacy and basic skills professional development and technical assistance organizations, such as the State Literacy Resource Centers established under section\_\_\_\_; and

(iii) establishing a national literacy electronic

database and communications network.

(8) work with the Interagency Group, other Federal agencies, and with the Congress to ensure that they have the best information available on literacy and basic skills programs in formulating Federal policy around the issues of literacy, basic skills, and workforce development; and

(9) assist with the development of policy with respect to literacy and basic skills."

259. Both the House bill and the Senate amendment permit the Institute to award fellowships with stipends and allowances which the Director considers necessary to outstanding individuals pursuing careers in adult education or literacy.

Legislative counsel.

260. Both the House bill and the Senate amendment provide that such fellowships be used to engage in research, education, training, technical assistance or other activities to advance the field of adult education or literacy.

Legislative counsel.

261. The Senate amendment, but not the House bill requires individuals receiving fellowships to be called "Literacy Leader Fellows."

The Senate recesses.

262. The House bill, but not the Senate amendment, allows the Institute to award paid and unpaid internships to individuals seeking to help the Institute. The House bill allows the Institute

to accept and use voluntary and uncompensated services as they deem necessary.

The Senate recesses.

263. The House bill establishes the National Institute for Literacy Advisory Board. The Senate amendment establishes the National Institute Council.

The Senate recesses.

263a. Both entities serve in an advisory capacity and consist of ten individuals appointed by the President with the advice and consent of the Senate.

The Senate recesses.

263b. Both the House bill and the Senate amendment require that such individuals may not otherwise be officers or employees of the Federal Government and be representative of entities or groups described in Note 264.

The Senate recesses.

263c. The Senate amendment requires such individuals to be chosen from recommendations made to the President by individuals who represent such entities or groups.

The Senate recesses.

264. Both the House bill and the Senate amendment describe the

entities or groups from which members are to be chosen. The only differences are that: a) the House bill, but not the Senate amendment, includes providers of programs and services involving English language instruction; and b) the House bill refers to "representatives of employees" and the Senate amendment refers to "organized labor."

The Senate recesses.

265. Both the House bill and the Senate amendment contain a list of duties for the Board (Council). The duties are the same.

The Senate recesses.

266. The Senate amendment, but not the House bill, requires the Council to be subject to the provisions of the Federal Advisory Committee Act.

The House recesses with an amendment striking "Council" and inserting "Board".

267. Both the House bill and the Senate amendment limit the term of members of the Board (Council) to three years. The Senate amendment prohibits a member from being appointed for not more than two consecutive terms. The House bill requires that initial terms for members may be one, two or three years in order to establish a rotation in which one-third of the members are selected each year.

The Senate recesses with an amendment inserting at the end of the paragraph a new sentence "Any such member may be appointed for not more than 2 consecutive terms."

268. Both the House bill and Senate amendment contain the same provisions for appointing members to fill a vacancy which occurs before the expiration of the term for which a member was appointed.

The Senate recesses.

269. Both the House bill and the Senate amendment contain provisions regarding the number of members required to constitute a quorum but allow a lesser number to hold hearings. Both the House bill and Senate amendment require that recommendations be passed only by a majority of its members.

The Senate recesses.

270. Both the House bill and Senate amendment provide for the election of a chairperson and vice chairperson. The House bill provides that each shall serve for a term of one year. The Senate amendment permits such individuals to serve for two years.

The House recesses.

271. Both the House bill and the Senate amendment provide that the Board (Council) shall meet at the call of the chairperson or a majority of its members.

The Senate recesses.

272. Both the House bill and the Senate amendment provide for gifts, bequests and devises.

The House bill allows the Institute to accept, administer and use gifts or donations of services, money or property, both real and personal.

The Senate amendment allows the Institute and the Council to accept (but not solicit), use, and dispose of gifts, bequests or devices of services or property for the purpose of aiding or facilitating the work of the Institute or Council. The Senate amendment requires such gifts, bequests or devices of money and proceeds from sales of other property to be deposited in the

Treasury and be available for disbursement upon order of the Institute or the Council.

The Senate recedes.

273. Both the House bill and the Senate amendment permit the Board (Council) and the Institute to use the mails in the same manner as other departments and agencies.

The Senate recedes.

274. Both the House bill and the Senate amendment provide that the Interagency Group (Federal Partnership), after considering recommendations of the Board (Council) is to appoint and fix the pay of the Director. The Senate amendment provides that the Director of the Federal Partnership is also to appoint and fix the pay of the staff of the Institute.

The Senate recedes.

275. Both the House bill and the Senate amendment contain provisions regarding the applicability of certain Civil Service laws.

Legislative counsel.

276. Both the House bill and the Senate amendment contain identical provisions with respect to experts and consultants.

The Senate recedes.

277. Both the House bill and the Senate amendment require the Institute to submit a biennial report.

The House recedes.

277a. The House bill requires the report be submitted to the Interagency Group and the Congress. The Senate amendment requires the report be submitted to the appropriate committees of Congress.

The House recesses.

277b. The Senate amendment also includes a list of items which must be included in such report.

The House recesses with an amendment striking "Federal Partnership in paragraph (2); and striking in paragraph (3) "Council" and inserting "Board."

278. The Senate amendment, but not the House bill, provides that funds appropriated to the Federal Partnership, the Secretary of Education, the Secretary of Labor, or the Secretary of Health and Human Services for purposes that the Institute is authorized to perform, may be provided to the Institute.

The House recesses with an amendment striking "the Federal Partnership."

279. Both the House bill and the Senate amendment address State or Regional Adult Literacy Resources Centers.

The Senate amendment specifically provides for the establishment of a network of State or regional adult literacy resource centers to assist State and local public and private nonprofit efforts to eliminate literacy. The House bill allows States and the Department of Education to fund these activities. (See Notes 242 & 282)

The House and Senate recess.

280. The House bill repeals the National Workforce Literacy

Assistance Collaborative. (See Note 449a.) The Senate amendment repeals the authorization of appropriations for the National Workforce Literacy Assistance Collaborative.

The Senate recesses.

280a. Both the House bill and the Senate amendment repeal the Family Literacy Public Broadcasting Program. (See Note 449a for House repeal)

The Senate recesses.

281. The Senate amendment, but not the House bill, extends through the year 2001 the separate program providing literacy for incarcerated individuals. The House bill repeals this program. (See Note 449a for House repeal)

The House recesses.

282. The House bill, but not the Senate amendment, requires the Secretary of Education to carry out a program of national leadership and evaluation activities to enhance the quality of adult education and family literacy programs nationwide. The House bill outlines the list of authorized activities, includes the information to be received from a national evaluation, and allows the Secretary to carry out activities directly or through grants, contracts and cooperative agreements.

The House recesses.



## *At-Risk Youth*

283. The House bill, but not the Senate amendment, grants general authority for local workforce development boards to subgrant to providers for programs that serve at-risk and out-of-school youth. (See Note 207)

The Senate recedes with an amendment inserting "(a) GENERAL AUTHORITY. -- Funds provided under section\_\_\_ shall be used to carry out at-risk youth activities."

284. The Senate amendment, but not the House bill, grants authority to the Secretary of Labor and Secretary of Education, acting jointly on the advice of the Federal Partnership, to make allotments to States to enable the Secretary of Labor and the States to carry out at-risk youth programs. (See Note 208)

The Senate recedes.

285. The Senate amendment, but not the House bill, requires the Secretary of Labor to continue funding for Job Corps centers who received assistance under part B of title IV JTPA in FY 1996 and which were not closed under section 156. (See Note 209)

The Senate recedes.

286. The Senate amendment, but not the House bill, requires States to use a portion of the funds reserved for Indians and Native Hawaiians to make grants to eligible entities to run summer job programs and provide work-based learning opportunities that are directly linked to year-round school-to-work activities. Senate amendment requires that no funds shall be used to displace employed workers. (See Note 210)

[Statutory cite to subsection (c)(3) is incorrect. Statutory cite should be subsection (c)(4) which is the allotment for at-risk youth.]

The Senate recedes.

287. The House bill, but not the Senate amendment, lists 8 program elements which local workforce development boards are required to provide for at-risk and out-of-school youth. (See Note 286 for the Senate amendment's required activities)

The Senate recedes with amendment inserting

"REQUIRED PROGRAM ELEMENTS. -- Each program shall --

(1) provide strong linkages between academic, occupational and worksite learning;

(2) provide postsecondary educational opportunities, where appropriate;

(3) involve business and parent in the design and implementation of programs;

(4) provide adult mentoring;

(5) provide career guidance and counseling; and

(6) are of such size, scope, and quality as to be effective."

288. The House bill lists additional permissible uses of funds by eligible providers at the local level for at-risk and out-of-school youth programs. (See Note 212). The Senate amendment permits States to make grants to eligible entities to carry out alternative programs or other activities for at-risk youth programs. The activities are not specifically listed.

The Senate recedes with an amendment inserting

ADDITIONAL PROGRAM ELEMENTS -- Each program may provide --

(1) tutoring, study skills training and instruction leading to completion of high school including drop-out prevention strategies;

(2) alternative high school services;

(3) paid and unpaid work experience, including summer employment opportunities, which are directly linked to academic,

occupational and worksite learning; and

(4) training-related supportive services.

289. The House bill, but not the Senate amendment, limits administrative funds used by local workforce development boards to no more than 10%. (See Note 213)

The House recesses.

290. The House bill, but not the Senate amendment, does not permit local workforce boards to operate programs (See Note 195), and requires that they subcontract to eligible providers. (See Note 214)

The Senate recesses with an amendment inserting "A local workforce development board shall not operate programs, but shall contract with eligible providers of demonstrated effectiveness."

(Manager's language drafted by Mary on the issue of demonstrated effectiveness.)

291. The House bill, but not the Senate amendment, lists eligible providers to receive contracts from the local workforce development board including: 1) eligible institutions including local educational agencies, area vocational schools, intermediate educational agencies; postsecondary institutions including community colleges, State corrections educational agency and any consortia of the aforementioned list; 2) local government entities; 3) private, nonprofit organizations including community based organizations; 4) private, for-profit entities; or 5) other organizations or entities that have a demonstrated effectiveness and have been approved by the local workforce development board. (See Note 215)

**HOLD**

**OFFER:** The House recesses.

(Manager's language to be drafted by Sally on definition of "eligible providers" if offer is accepted)

292. The Senate amendment, but not the House bill, provides that at-risk youth funds be expended in accordance with the State's laws and procedures. (See Note 112)

The Senate recesses.

#### *Allocations for State/Local Programs*

293. Both the House bill and the Senate amendment have a within State allocation. (See related Note 218)

The House recesses with an amendment inserting "WITHIN STATE DISTRIBUTION. -- Of the funds allotted to a State under subsection() for at-risk youth activities for a program year--"

293a. The House bill requires that not less than 90% of a State's funds for the youth grant go to the local level to serve in-school and at-risk/out-of-school youth, not more than 8% for State programs and not more than 2% for administration. The Senate amendment requires that 85% of a State's funds for at-risk youth activities go to the local level and 15% for State activities.

#### **HOLD -- Issue for Sen. DeWine**

HOUSE OFFER: 25% -- For the Governor of which 95% has to go locally based on the criteria of the definition of at-risk youth and 75% -- To local boards by formula (age, low-income and other factors consistent with the definition of "at-risk" as defined in section\_\_ of this Act.)

294. The House bill, but not the Senate amendment, requires that of the 90% of funds sent to the local level, not less than 40% of the funds must be used for programs to serve at-risk and out-of-school youth. Of the remaining 20% of funds, the Governor, through

the collaborative process, can distribute one-half of the remaining funds by formula and one-half by either discretionary grant or formula. (See Note 220)

The House recesses.

295. The House bill, but not the Senate amendment, establishes minimum grant awards of \$15,000 for local workforce development boards to serve at-risk/out-of-school youth. (See Note 232)

The House recesses.

296. The House bill, but not the Senate amendment, states that in order to receive a grant at the local level, the local workforce development board and eligible institution(s) must form a partnership. The purpose of the partnership is to allow for collaborative planning, coordination of programs serving in-school and at-risk/out-of-school youth and allow for effective public participation. (See Note 235)

The House recesses.

297. Both the House bill and the Senate amendment provide for a local application.

The House recesses.

297a. The House bill states that the partnership must develop and submit for approval to the Governor, through the State collaborative process, a comprehensive plan outlining how they are planning to serve both in-school and at-risk/out-of-school youth. (See Note 236)

The House recesses.

297b. The Senate amendment requires eligible entities to submit an application to the Governor for funding of certain at-risk youth activities. ~

The House recesses with amendment inserting

"()APPLICATION --

(1) To be eligible to receive a grant from the State to carry out at-risk youth activities, an entity shall prepare and submit an application to the Governor of the State at such time, in such manner, and containing such information as the Governor may require. The Governor shall establish criteria for reviewing such applications.

(2) To be eligible to receive a grant from the local workforce development board to carry out at-risk youth activities, an entity shall prepare and submit an application to the local workforce development board at such time, in such manner, and containing such information as the local workforce development board may require. The local workforce development board shall establish criteria for reviewing such applications."

298. The House bill, but not the Senate amendment, requires the partnership to assure the involvement of parents, teachers and the local community in the planning process. (See Note 237)

The House recesses.

299. The House bill, but not the Senate amendment, provides that the Governor, through the collaborative process, is authorized to develop procedures for the resolution of issues in dispute. (See Note 238)

The House recesses.

300. The House bill outlines that funds directed to the local level from the State to serve at-risk and out-of-school youth will be sent to the local workforce development board to be subgranted to eligible entities. The Senate amendment distributes funds for at-risk youth programs to local entities in part by competitive grants. (See Note 239b for House provision, and Note 297 for Senate provision.)

The House recesses.

#### *Job Corps*

301. The Senate amendment contains provisions regarding Job Corps. The House bill has no comparable provisions, but retains Job Corps under current law.

The House recesses.

302. The Senate amendment, but not the House bill, provides for definitions relating to Job Corps which includes a definition for "at-risk youth". (See Note 15 for House definition of "at-risk 75 youth".)

The House recesses striking paragraph (1).

303. The Senate amendment, but not the House bill, provides specific purposes for Job Corps.

The House recedes.

304. The Senate amendment, but not the House bill, establishes a Job Corps program in the Department of Labor.

The House recedes with an amendment inserting  
Section\_\_\_.ESTABLISHMENT.

There shall be established in the Department of Labor a Job Corps program, to carry out, in conjunction with the activities carried out under section\_\_, activities described in this chapter for individuals enrolled in the Job Corps and assigned to a center.

305. Under the Senate amendment, but not the House bill, only at-risk youth are eligible for Job Corps.

The House recedes with an amendment inserting "To be eligible to become an enrollee, an individual must be --

- (A) not less than age 15 and not more than age 24;
- (B) low-income (have to clarify definition of low-income)
- (C) 1 or more of the following:
  - (i) Basic skills deficient.
  - (ii) A school dropout.
  - (iii) Homeless or runaway.
  - (iv) Pregnant or parenting.
  - (v) An individual who requires additional education, training, or intensive counseling and related assistance, in order



to secure and hold employment or participate successfully in regular schoolwork.

306. The Senate amendment, but not the House bill, requires the Secretary of Labor to prescribe procedures for screening and selecting applicants, after consultation with States and localities.

The House recedes with an amendment striking "State workforce development boards, established under section 105, local partnerships"

306a. The Senate amendment, but not the House bill, lists requirements for such screening and selection, provides for their implementation, and requires consultation with individuals and organizations.

The House recedes with an amendment inserting "(F) assure that Job Corps enrollees include an appropriate number of candidates selected from rural areas".

306b. The Senate amendment, but not the House bill, contains special limitations on enrollees.

The House recedes.

307. The Senate amendment, but not the House bill, provides requirements for the enrollment in, and assignment to, Job Corps centers.

The House recede.

308. The Senate amendment, but not the House bill, provides for the eligibility and selection of operators of Job Corps Centers, the character and activities of those centers, and special provisions for Civilian Conservation Centers and centers operated by Indian Tribes.

The House recedes. (Have Legislative counsel make sure consistent with Note 422)

309. The Senate amendment, but not the House bill, requires Job Corps centers to provide workforce development activities to meet the needs of enrollees through or in coordination with the statewide system. The Senate amendment also requires the Secretary of Labor to establish a job placement accountability system for Job Corps Centers.

The House recedes with an amendment striking references to "workforce development activities" and inserting "employment and training activities"; inserting "(c) FISCAL AND MANAGEMENT ACCOUNTABILITY SYSTEM. -- The Secretary shall establish a fiscal and management accountability system for Job Corps centers, and coordinate the activities carried out through the system with similar activities that may be carried out." (Need to conform section reference in paragraph (A)).

309a. The Senate amendment, but not the House bill, provides for advance career training programs for certain Job Corps enrollees.

The House recedes.

309b. The Senate amendment, but not the House bill, provides for full benefits or a monthly stipend for participants in an advanced training program.

The House recedes.

310. The Senate amendment, but not the House bill, provides for

personal allowances for Job Corps enrollees.

The House recedes.

311. The Senate amendment, but not the House bill, requires center operators to submit a plan to the Secretary of Labor for approval. The Senate amendment lists the requirements for such plan.

The House recedes. (Need technical and conforming changes)

312. The Senate amendment, but not the House bill, requires the Secretary of Labor to provide standards of conduct, including a zero tolerance policy for violence and drug abuse, to be enforced by the center directors.

The House recedes.

313. The Senate amendment, but not the House bill, directs the Secretary of Labor to encourage community participation and establishes a selection panel for center operators. The Senate amendment also requires each center director to engage in certain community outreach efforts.

The House recedes with conforming and technical changes.

314. The Senate amendment, but not the House bill, directs the Secretary of Labor to ensure that Job Corps enrollees receive counseling and placement.

The House recedes.

315. The Senate amendment, but not the House bill, authorizes the Secretary of Labor to use advisory committees to assist Job Corps activities.

The House recedes.

316. The Senate amendment, but not the House bill, provides that Job Corps enrollees are not to be considered Federal employees except with respect to the Internal Revenue Code, the Social Security Act, Federal workers' compensation, and Federal tort claims.

The House recedes. (have to check paragraph 3)

317. The Senate amendment, but not the House bill, contains special provisions relating to Job Corps, including directing the Secretary of Labor to take steps to achieve an enrollment of 50% women, State tax exemptions, and minimum management fee requirements.

The House recedes.

318. The Senate amendment, but not the House bill, provides for a review of all Job Corps Centers by March 31, 1997, and lists the requirements for such review.

The House recedes with an amendment striking paragraph (a) and inserting

"(a) NATIONAL JOB CORPS REVIEW PANEL. --

The Secretary of Labor shall select a panel of nine persons to conduct a review of Job Corps activities carried out under Part B, of Title IV of the Job Training Partnership Act (29 U.S.C. 1691), to be completed by not later than July 31, 1997. The panel, to be identified as the National Job Corps Review Panel, shall consist of three members of the National Office of Job Corps, three members from the private sector who have expertise and a demonstrated record of success in understanding, analyzing, and motivating at-risk youth. After completion of such review, the panel shall submit to the appropriate committees of Congress a report

Report language on Note 318d

The managers intend that ~~to~~ states without existing Job Corps Centers receive a priority, but that the quality of applications continue to be a primary consideration.

containing the results of the review, including --"

318a. The Senate amendment, but not the House bill, requires the National Board to make recommendations to the Secretary of Labor on how to improve Job Corps, including the closure of 5 centers by September 30, 1997 and 5 centers by September 30, 2000.

The House recedes with an amendment striking all reference to "National Board" and inserting "National Job Corps Review Panel"; striking "March 31," and inserting "July 31,".

318b. The Senate amendment, but not the House bill, provides that the National Board take into account specific considerations in recommending the closure of centers.

The House recedes with an amendment striking all references to the "National Board" and inserting "National Job Corps Review Panel".

318c. The Senate amendment, but not the House bill, requires the National Board to submit a report of its findings not later than June 30, 1997.

The House recedes with an amendment striking all references to "National Board" and inserting "National Job Corps Review Panel"; striking "June 30," and inserting "August 30,"

318d. The Senate amendment, but not the House bill, requires the Secretary to implement improvements in Job Corps, including the closure of 10 centers, and report annually to Congress.

*Note new  
report  
language*  
The House recedes with an amendment on line 24 after "initiate new Job Corps centers" inserting "with a priority on placing Job Corps centers in those States without existing Job Corps centers,".

(Manager's language to be drafted by Kevin and Catherine)

319. The Senate amendment, but not the House bill, provides for the Secretary of Labor to carry out his responsibilities, notwithstanding other provisions of the title.

The House recesses.

320. The Senate amendment, but not the House bill, has an effective date of July 1, 1998 for the Job Corps provisions, except for the report, which will begin immediately.

**HOLD**

*Employment and Training Activities*

*One-Stops/Integrated Career Center System*

321. The House bill requires the Governor to ensure the establishment of an integrated career center system by local workforce boards within each workforce development area. The Senate amendment has no comparable provisions. (See Note 134)

The Senate recesses with an amendment inserting "There shall be established in a State that receives an allotment under section \_\_\_\_ a means of providing through a one-stop career center system access to core services in section \_\_\_\_."

322. The House bill, but not the Senate amendment, requires the Governor, through the collaborative process, to establish statewide criteria for selecting career center providers. (See Note 135)

The House recesses.

323. Both the House bill and the Senate amendment require States to implement a statewide approach to the delivery of employment and training, based on the concept of integrated or one-stop career centers, although the requirements of each bill differ. (See Note 136)

The Senate recedes with an amendment inserting "ONE-STOP CAREER CENTER SYSTEM REQUIREMENT. -- At a minimum, one-stop career center systems shall include those core-services described in paragraph\_\_\_ and shall be available through --"

323a. The House bill requires a system where common intake, assessment, and job search are provided. The Senate amendment provides as an option, a system where core services are provided, regardless of point of entry.

The House recedes with an amendment inserting "(I) through a network that assures participants that such core services will be available regardless of where the participants initially enter the statewide system, including through multiple, connected access points, linked electronically or technologically;"

323b. Both the House bill and Senate amendment allow for access points that are electronically or computer linked. The House bill further provides for the availability of labor market information and common management information across the system.

The House and Senate recede.

323c. The House bill requires at least one physical, co-located career center (to the extent practicable), but encourages a network of such centers combined with affiliated sites. The Senate amendment provides as an option, that there be core services available at not less than one physical location in each substate area, and also allows for a combination of the options listed above.

The House recedes with an amendment inserting



"(ii) through a network of career centers which can provide core services and services authorized under Wagner-Peyser Act to individuals;

(iii) at not less than one physical, co-located center in each workforce development area of the State, which provides comprehensive core services to individuals seeking such services; or

(iv) through some combination of the options described in clauses (I), (ii) and (iii)."

[language from Note 136c -- The House recedes with an amendment inserting "(ii) through a network of career centers which can provide core services and services authorized under the Wagner-Peyser Act to individuals;

(iii) at not less than one physical, co-located center in each (workforce development) area of the State, which provides comprehensive core services to individuals seeking such services; or

(iv) through some combination of the options described in clauses (I), (ii), and (iii)."]

323d. The House bill requires that labor market information compiled pursuant to title II of the Wagner-Peyser Act be available through all career centers and affiliated sites. The Senate amendment has no comparable provision.

The Senate recedes with an amendment inserting

"COMMON ACCESS. Labor market information (including such information authorized under the Wagner-Peyser Act) shall be available, to the extent practicable, through the one-stop career center system."

323e. The House bill, but not the Senate amendment, provides that any entity or consortium of entities in a local workforce area may be designated by the local board to operate a career center,

and lists certain eligible entities.

The Senate recedes with an amendment inserting

*Removes  
hold 5/17*

"ELIGIBILITY FOR DESIGNATION. Any public or private entity or consortium of entities located in the workforce development area may operate a one-stop career center, including institutions of higher education, local employment service offices established under the Wagner-Peyser Act, private for-profit entities, private non-profit entities or other interested entities of demonstrated effectiveness such as local chambers of commerce or other business organizations.

*agencies of local government,*

EXCEPTION. Elementary and secondary schools shall not be eligible to operate a one-stop career center."

324. Both the House bill and Senate amendment list core services to be provided through integrated career centers or one-stop delivery systems.

The House recedes.

324a. The House bill requires that core services be provided on a universal and non-discriminatory basis, with reasonable accommodations for individuals with disabilities. The Senate amendment contains no such specific provision, but also does not restrict eligibility for core services.

The House recedes with an amendment inserting after "shall" "be available to all individuals, and shall,"

324b. Both the House bill and Senate amendment require that outreach and intake for services be available, and the Senate amendment includes orientation to services available through the one-stop.

The House recedes.

324c. Both the House bill and Senate amendment include initial assessment of skill levels, service needs, and need for supportive services. However, the two bills differ in what is to be specifically assessed.

The House recesses.

324d. Both the House bill and Senate amendment require job search assistance (the Senate amendment also specifies placement assistance), and career counseling, although the Senate amendment provides for career counseling where appropriate. The House bill also includes career planning based on a preliminary assessment.

The House recesses.

324e. Both the House bill and Senate amendment provide for information related to the local labor market. However the language differs as to what is required.

The Senate recesses with an amendment striking all after "occupations" and inserting "where available."

324f. The Senate amendment provides for information on the quality and availability of other workforce employment, education, and vocational rehabilitation activities, and for referrals to such programs. The House bill also provides such information and referral to programs, but refers to specific programs.

The House recesses with an amendment striking lines 2-8 and inserting "( ) provision of accurate information relating to the quality and availability of other employment and training activities, vocational and adult education activities, workforce preparation activities for at-risk youth, and vocational rehabilitation program activities and referral to such appropriate activities."

also insert "( ) the provision of adult education and literacy services information through cooperative efforts with adult education and literacy providers eligible under section \_\_\_\_."

324g. The House bill requires that information on eligibility for Federal education and training programs be provided. The Senate amendment requires such information on forms of public financial assistance.

The Senate recedes with an amendment inserting "( ) eligibility information relating to unemployment compensation, publicly-funded education and training programs, (including registered apprenticeships), and forms of public financial assistance, such as student aid programs, that may be available in order to enable individuals to participate in workforce development activities authorized under this title,"

324h. The House bill, but not the Senate amendment, requires that information on the performance of programs be available through career centers.

The Senate recedes with an amendment inserting "performance based information on certified providers of [education and training] as required under section\_\_\_\_."

324i. The Senate amendment, but not the House bill, requires that customized screening and referral be provided.

The Senate recedes. (Deal with in Additional Services)

324j. The Senate amendment, but not the House bill, requires information on performance of the substate area with respect to the State benchmarks.

The House recedes with an amendment striking "substate" and inserting "workforce development area"; and inserting at the end

of sentence "including any additional performance information provided by the local board."

324k. The House bill, but not the Senate amendment, requires career centers to accept applications for unemployment compensation. The Senate amendment allows States to co-locate with unemployment compensation services. (See Note 327)

The House recedes.

325. The House bill, but not the Senate amendment, specifies that career centers or affiliated sites may serve as the point of distribution of career grants.

The Senate recedes with an amendment inserting "DISTRIBUTION OF CAREER GRANTS. A one-stop career center may serve as the point of distribution of career grants for education and training services to eligible individuals in accordance with section\_\_\_.

326. The House bill, but not the Senate amendment, allows career center systems to contract out for core services for individuals with severe disabilities.

The House recedes.

327. Both the House bill and Senate amendment contain different permissible or additional services that may be provided through the integrated career center or one-stop delivery systems.

The House recedes with an amendment inserting

"(D) customized screening and referral of qualified applicants to employment; and

(E) customized workforce development activities to employers on a fee-for-service basis."

328. The House bill, but not the Senate amendment, permits the Governor, through the collaborative process, to develop alternatives to the integrated career center system, subject to the approval of the Secretaries.

The House recedes.

#### *Employment and Training Use of Funds*

329. The Senate amendment, but not the House bill, requires the following use of funds for workforce employment activities: one-stop delivery of core services; establishment of a labor market information system; and establishment of a job placement accountability system.

The Senate amendment also permits the use of funds for: permissible one-stop activities; other permissible training activities; staff development; incentive grants; and the provision of training services through vouchers.

The House recedes with an amendment inserting

( ) EMPLOYMENT AND TRAINING ACTIVITIES. -

(1) IN GENERAL. Funds made available to a State and local workforce development areas under this title for employment and training activities -

(A) shall be used to carry out the activities described in paragraphs ( ) through ( ) through a statewide system; [State and local employment and training activities; one-stop career centers; and labor market information] and

(B) may be used to carry out the activities described in paragraphs ( ) through ( ) through a statewide system [permissible State and local employment and training activities; fiscal and management accountability information system].

330. The House bill, but not the Senate amendment, requires that certain mandatory activities be conducted by the State, from funds reserved by the Governor under the Adult Employment and Training grant, including: rapid response activities; and additional assistance for other worker dislocation events.

The Senate recedes with an amendment inserting

( )REQUIRED STATE ACTIVITIES. - The State shall use a portion of the funds described in subsection ( ) that are made available for state employment and training activities --

(1) To provide [rapid response assistance] and

(2) to provide labor market information as described in section ( ).

#### *Discretionary Activities*

331. Both the House bill and the Senate amendment list certain discretionary activities. The House bill, but not the Senate amendment, specifically lists certain activities to be carried out by the State, and funded from the Governor's reserve. Under the Senate amendment's, permissible activities under section 106(a)(6)(A) through (N) are listed below, starting with Note 333b.

The House recedes with an amendment inserting new title "DISCRETIONARY STATE ACTIVITIES." (Technical change to paragraph reference)

331a. Both the House bill and the Senate amendment allow funds to be used for staff development and training, but the House bill further allows for capacity building.

The House recedes with an amendment inserting "( ) providing professional development and technical assistance."

331b. Both the House bill and the Senate amendment allow for

incentive grant awards, but the House bill further allows for research and demonstration.

The House recedes with an amendment inserting "() incentive grants to workforce development areas for exemplary performance in reaching or exceeding benchmarks referenced under section\_\_ (meaningful empl. benchmarks) and as appropriate under section\_\_ (population benchmarks).

331c. In addition, the House bill allows States to use State reserve funds for incumbent worker training; assistance for career center systems; support for a common management information system; and training in nontraditional employment.

*6/17 96 supplemented by other funds provided by the state or private sector*  
The House recedes with an amendment inserting  
"(3) Economic and development activities (that *economic development activities to supplement* may include -

(A) providing services to upgrade the skills of employed workers who are at risk of being permanently laid off;

(B) retraining employed workers in new technologies and work processes that will facilitate the conversion and restructuring of business to assist in the avoidance of closures or substantial layoffs at a plant, facility, or enterprise;

© providing customized assessments of the skills of workers and an analysis of the skill needs of employers;

(D) assisting consortia of small and medium-size employers in upgrading the skills of their workforce;

(E) providing productivity and quality improvement training programs for the workforce of small and medium-size employers; and

(F) establishment and implementation of an employer loan program to assist *employees* in skills upgrading.

(4) Implementation of efforts to increase the number of individuals trained and placed in nontraditional employment; and



(5) Other employment and training activities that the State deem necessary to assist local workforce development areas in carrying out activities through the statewide system."

332. The House bill requires that adult employment and training grant funds be used to provide core services to adults through career center systems. The Senate amendment requires that workforce employment funds be used to provide core services through one-stop delivery. (See Note 324)

The House recesses.

333. The House bill, but not the Senate amendment, requires that adult employment training grant funds be used to provide intensive services, through career center systems, to adults who are unable to obtain employment through core services, but provides discretion on the types of services. The Senate amendment provides that intensive services are a permissible one-stop delivery activity. (See Note 327)

The Senate recesses with an amendment inserting

"() LOCAL EMPLOYMENT AND TRAINING ACTIVITIES. Funds made available to local workforce development areas under subsection () shall be used --

(1) to provide the core services described in subsection ( ) to individuals through the one-stop career center system of the state; and

(2) to provide training services to individuals who are unable to obtain employment through the core services described in subsection ( ) and who, after --

- (I) an interview;
- (ii) evaluation or assessment; and
- (iii) counseling

have been determined to be in need of training services.

333a. The House bill, but not the Senate amendment, specifies that intensive services may include: comprehensive and specialized assessments; individual employment plans; identification of employment goals; group or individual counseling and career planning; case management; and follow up counseling for up to 1 year.

The House recesses.

333b. Both the House bill and the Senate amendment permit the use of funds for case management and follow-up services.

The Senate recesses with an amendment inserting

( ) TRAINING SERVICES. Such training services may include --

(1) occupational skills training;

(2) on-the-job training;

(3) skills upgrading and retraining for persons not in the workforce; and

(4) basic skills training when in combination with services provided under paragraphs (1), (2) and (3).

334. The House bill requires that adult employment training grant funds be used to provide education and training services for only those adults who are unable to obtain employment through core or intensive services, and who are unable to obtain other grant assistance, but provides discretion on the types of education and training services. The Senate amendment does not require funds to be spent on such training activities, nor are there prerequisites for obtaining such services.

The Senate recesses with an amendment, striking and inserting

( ) EXCEPTION. -- Funds made available under section\_\_ shall be used to provide training services for individuals --

6/17 (I) who are unable to obtain other assistance<sup>grants</sup> for such services, including Federal Pell Grants established under title IV of the Higher Education Act of 1965; or

[REDACTED] (ii) who require<sup>grant</sup> assistance beyond that made available from other assistance programs including Federal Pell Grants.

334a. The House bill and the Senate amendment include comparable training services as permissible uses of funds, but also include different additional services.

The House recesses.

334b. The House bill permits funds to be used for remedial education and literacy programs. The Senate amendment provides for such services under workforce education activities.

The House recesses.

334c. Both the House bill and the Senate amendment allow for: occupational skills training, on-the-job training, programs that combine workplace training with related instruction; skill upgrading and retraining; entrepreneurial training; employability training; and customized training. The House bill also allows private sector training. The Senate amendment also includes: preemployment training for youth; rapid response assistance; connecting activities for businesses to provide work-based learning for youth; and services to assist individuals in attaining industry-based skills.

The House and Senate recede.

335. Both the House bill and the Senate amendment list supportive services as an allowable use of funds. However, the House bill limits such assistance.

The Senate recedes with an amendment inserting

( ) ADDITIONAL SERVICES -

(1) SUPPORTIVE SERVICES. Supportive services may be provided to individuals -

(A) who are receiving training services described in subsection ( ); and

(B) who are unable to obtain such supportive services through other programs providing such services.

(2) Follow up services for individuals who are placed in unsubsidized employment.

335a. The House bill, but not the Senate amendment, specifies the allowable use of needs-related payments, with specific education and training participation requirements.

The Senate recedes with an amendment inserting

(3) NEEDS-RELATED PAYMENTS. -

(A) IN GENERAL. - Funds made available under subsection [local e&t activities] may be used to provide needs-related payments to dislocated workers who are unemployed and do not qualify for or have ceased to qualify for unemployment compensation for the purpose of enabling such individuals to participate in training services under subsection\_\_.

(B) ADDITIONAL ELIGIBILITY REQUIREMENTS. - In addition to the requirements contained in subparagraph (A), a dislocated worker who has exhausted unemployment insurance benefits may be eligible to receive needs-related payments under this paragraph only if such worker was enrolled in training services by the end of the 8th week of the worker's initial unemployment compensation benefits period or if later by the end of the 8th week after the

worker is informed that a short-term layoff will, in fact, exceed 6 months.

© LEVEL OF PAYMENTS. - The level of a needs-related payment shall not exceed the higher of -

(I) the applicable level of unemployment compensation;  
or

(ii) the poverty level determined in accordance with criteria established by the Director of Management and Budget;  
and

shall provide for the adjustment of payments to reflect changes in total family income.

336. The House bill, but not the Senate amendment, requires local boards to establish a priority process for providing intensive, or education and training services to dislocated workers and economically disadvantaged individuals when funding is limited.

**HOLD**

#### **Member's Issue**

##### *Career Grants/Vouchers*

337. The House bill requires that education and training services for adults be provided through the use of career grants (vouchers), with providers identified in accordance with section 108 of the House bill. Such grants must be provided through the career center system. The Senate amendment allows, but does not require States to deliver some or all of the permissible employment activities under section 106(a)(6) through vouchers administered through the one-stop system.

The Senate amendment restricts the receipt of vouchers to

individuals age 18 or older, who are unable to obtain Pell grants. The House bill also restricts receipt of career grants (vouchers). (See Note 334)

337a. The House bill, but not the Senate amendment, provides 4 exceptions to the required use of vouchers.

337b. The House bill, but not the Senate amendment, allows a 3-year transition for the full implementation of vouchers, from the date of enactment.

337c. The House bill, but not the Senate amendment, requires that education and training be directly linked to occupations in demand.

338. Under the Senate amendment, but not the House bill, States that choose to use vouchers must describe in the State plan criteria for the activities, the amount of funds and the eligibility of participants and providers.

339. The House bill requires an identification process for determining which service providers are eligible to receive funds for adult training or vocational rehabilitation programs. The Senate amendment has no such requirement, other than to identify in the State plan the criteria for eligible providers, if a State

chooses to offer services through vouchers. (See Note 138)

The House and Senate recede.

..

340. The House bill, but not the Senate amendment, establishes an alternative eligibility procedure for service providers that are not eligible to participate in title IV of the Higher Education Act. (See Note 139)

The House recesses.

341. The House bill requires the State to identify performance-based information to be submitted by service providers. The Senate amendment has no such requirement, other than to identify in the State plan information related to ensuring the accountability of service providers, if a State chooses to offer services through vouchers. (See Note 140)

The House and Senate recede.

342. Under the House bill, but not the Senate amendment, the Governor must designate a State agency to collect, verify, and disseminate performance-based information relating to service providers, along with a list of eligible providers, to local workforce development boards, and integrated career center systems. (See Note 141)

The House recesses.

343. Under the House bill, but not the Senate amendment, a service provider who provides inaccurate performance-based information will be disqualified from receiving funds under this Act for two years, unless upon the appeal, the provider can demonstrate that the information was provided in good faith. (See

Note 142)

The House recesses.

..

344. Under the House bill, but not the Senate amendment, on-the-job training providers are exempt from this section, except that performance-based information on such providers must be collected and disseminated. (See Note 143)

The House recesses.

344a. The House bill, but not the Senate amendment, provides that nothing in this section prohibits a State from providing services. (See Note 144)

The House recesses.

345. The Senate amendment, but not the House bill, requires a State that chooses to provide training activities must indicate in the State plan the extent to which the State will use vouchers to deliver such training activities.

The Senate recesses.

#### *Substate Allocation*

346. The Senate amendment, but not the House bill, provides that funds made available for workforce employment activities (less Wagner-Peyser funds), and funds from the flex account dedicated to workforce employment activities, are available to the Governor to distribute as provided in the next Note. (See Note 347)



The Senate recedes.

347. The House bill allows Governors to reserve up to 20% of the State's allotment under the adult training grant for statewide activities and administration. From this 20% reserve, States are limited to 25% for administration. The Senate amendment allows Governors to reserve up to 25% to carry out workforce employment activities. From this 25% reserve, States are limited to 20% for administrative expenses.

The House recedes with an amendment inserting

"()DISTRIBUTION. -- Funds made available under section\_\_, for a program year --

(A) 20 percent shall be reserved by the Governor to carry out employment and training activities through the statewide system;

(B) not more than 5% shall be made available for administrative expenses at the State level; and"

347a. The House bill requires that Governors allocate the remainder of funds to workforce development areas. The Senate amendment requires that Governors distribute 75% of funds to local entities.

The House recedes with an amendment inserting

"(C) 75 percent shall be distributed by the Governor in accordance with section\_\_, to local entities to carry out employment and training activities through the statewide system, based on --"

347b. The House bill requires that of the funds to be distributed to workforce development areas, 90% be allocated based on a substate formula, established by the Governor, through the collaborative process and after consultation with local officials, taking into account: poverty rates; unemployment

rates; the State's adult population within each local workforce area; and other factors as considered appropriate. The formula must distribute funds equitably, and none of the factors can receive disproportionate weighting.

The Senate amendment requires the Governor to distribute the 75% of funds to local entities based on such factors as the relative distribution among substate areas of individuals who are not less than 15 and not more than 65; individuals in poverty, unemployed individuals, and adult recipients of assistance. The Senate amendment also allows Governors, in consultation with local partnerships (or local boards) to include such additional factors as determined necessary.

The Senate recedes with an amendment inserting

"(A) ESTABLISHMENT. The Governor shall develop a formula for the allocation of 75 percent of the funds described in paragraph (1), to workforce development areas, taking into account --

(i) poverty rates within each local workforce development area, as determined by the State;

(ii) unemployment rates within each local workforce development area;

(iii) the proportion of the State's adult population residing within each local workforce development area; and

(iv) such additional factors as the Governor in consultation with the local workforce development boards and elected officials deemed necessary."

*add (B) have language lines 24-27 in p. 205*

347c. The House bill, but not the Senate amendment, allows the Governor discretion over 10% of the funds required for distribution to local workforce boards.

The House recedes.

348. The House bill limits the administrative costs of the local

workforce development board to 10%. The Senate has no comparable provision.

The Senate recedes with amendment striking "board" and inserting "area."

#### *Flex Account*

349. The Senate amendment, but not the House bill, allows the use of flex-account funds for school-to-work, workforce employment activities, workforce education activities and economic development.

The House recedes with an amendment striking "WORKFORCE".

350. The Senate amendment, but not the House bill, requires States to use a portion of flex account funds for school-to-work activities, broadly defined. However, any State receiving a grant under the School-to-Work Opportunities Act of 1994, must continue such activities under the terms of the grant.

**HOLD** -- issue of funding school to work.

351. Under the Senate amendment, but not the House bill, States may use flex account funds for either training activities or education activities, as the State decides.

The House recedes with an amendment inserting

"( ) FLEXIBLE ACTIVITIES. --

(A) (I) to carry out employment and training activities through the statewide system; (ii) such funds shall be distributed and expended in accordance with the provisions of section \_\_\_\_ [allocation and uses of funds];

(B) (I) to carry out vocational education activities through the statewide system; (ii) such funds shall be distributed and expended in accordance with the provisions of section\_\_ [allocation, and uses of funds];

® (I) to carry out adult education and literacy activities through the statewide system; (ii) such funds shall be distributed and expended in accordance with the provisions of section\_\_ [reference allocation and uses of funds]; and

(D) (I) to carry out at-risk youth activities through the statewide system; (ii) such funds shall be distributed and expended in accordance with the provisions of section \_\_\_\_ [reference allocation and uses of funds]."

352. Under the Senate amendment, but not the House bill, a State may engage in economic development activities if the State has established State and local workforce development boards or provides services through vouchers beginning in the year 2000. A State may use up to 50% of the flex account funds to engage in the listed activities for upgrading skills of incumbent workers.

The Senate recesses.

## **FEDERAL**

### *Administrative Partnership*

**HOLD -- Notes 353-362**

353. The Senate amendment, but not the House bill, establishes in the Department of Labor and the Department of Education a Workforce Development Partnership ("Federal Partnership"), under the joint control of the Secretary of Labor and the Secretary of Education, to administer the Act.

SENATE OFFER: The House recedes with an amendment inserting --

"(A) [Title I of] this Act shall be administered jointly by the Secretary of Education and the Secretary of Labor pursuant to an Interagency Agreement under this Act.

(B) Notwithstanding the Department of Education Organization Act (20 U.S.C. 3401 et seq.), the General Education Provisions Act (20 U.S.C. 1221 et seq.), the Act entitled "An Act To Create a Department of Labor," approved March 4, 1913 (29 U.S.C. 551 et seq.), and section [166/169] of the Job Training Partnership Act (29 U.S.C. [11576/1579]), the Secretary of Labor and the Secretary of Education, acting jointly, in accordance with the interagency agreement approved or determinations made by the President under section\_\_\_\_, shall provide for, and exercise final authority over, the effective and efficient administration of [Title I of] this Act.

354. Under the Senate amendment, but not the House bill, the Secretary of Labor and the Secretary of Education, working jointly through the Federal Partnership, will be responsible for activities including: approving State plans and benchmarks, making allotments to States, awarding annual incentive grants, applying sanctions, designing the transfer of personnel and activities to the Partnership, and disseminating information and providing technical assistance to States.

SENATE OFFER: The House recedes with an amendment inserting

"RESPONSIBILITIES OF SECRETARY OF LABOR AND SECRETARY OF EDUCATION. -- The Secretary of Labor and the Secretary of Education, acting jointly, shall --

(1) Prepare and submit the interagency for joint administration of this Act, as described in section\_\_\_\_.

(2) Make allotments under section[s]\_\_\_\_.

(3) Determine incentive grant eligibility

[approve State benchmarks] in accordance with section\_\_\_\_.

(4) Apply sanctions in accordance with section\_\_\_\_.

[apply sanctions] described in section\_\_\_\_.

(5) Review State plans in accordance with section\_\_\_\_.

[review/approve]

[(6) Disseminate information and provide technical assistance to States, in appropriate cases, on the best practices for establishing and carrying out activities through statewide systems.]

(7) [6] Issue uniform procedures, guidelines and regulations, only to the extent that such procedures, guidelines and regulations are necessary to administer and ensure that there is compliance with the specific requirements of [Title I of] this Act.

(8) [7] Administer the national programs and activities described in sections\_\_\_\_.

(9) [8] Prepare and submit to the appropriate committees of Congress an annual report on the absolute and relative performance of States toward reaching the State benchmarks.

[(10) Review all federally funded programs providing workforce development activities, other than activities carried out under this Act, and submit recommendations to Congress on how such federally funded programs could be integrated into the statewide systems of the States established under [Title I of] this Act.]

355. Under the Senate amendment, but not the House bill, the Federal Partnership will be directed by a National Workforce Development Board, composed of 13 members, appointed by the President by and with the advice and consent of the Senate, including: 7 representatives of business and industry, 2 representatives of labor and workers, 2 representatives of adult and vocational education, and 2 Governors.

SENATE OFFER: The Senate recesses.

356. Under the Senate amendment, but not the House bill, the Federal Partnership will be responsible for activities including: overseeing the development and implementation of the nationwide integrated labor market information system, establishing model benchmarks, negotiating State benchmarks, receiving and reviewing reports, preparing an annual report on the performance of States toward reaching the benchmarks, advising the Secretary of Labor and the Secretary of Education regarding the review and approval of State plans and procedures for awarding incentive grants and applying sanctions, reviewing Federal programs and recommending how they could be integrated into State systems, and reviewing any issues about which the Secretary of Labor and the Secretary of Education disagree and making recommendations to the President regarding their resolution.

SENATE OFFER: The Senate recesses.

357. The Senate amendment, but not the House bill, provides for the appointment by the President of a Director, by and with the advice and consent of the Senate, to administer the general duties of the Federal Partnership.

SENATE OFFER: The Senate recesses.

358. The Senate amendment, but not the House bill, provides for the transfer of personnel from the Employment and Training Administration (ETA) within the Department of Labor and the Office of Adult and Vocational Education (OAVE) within the Department of Education to the Federal Partnership.

SENATE OFFER: The Senate recesses.

358a. The Senate amendment, but not the House bill, requires the Secretaries to submit a proposed workplan outlining the transfers to be made to the Federal Partnership.

SENATE OFFER: The House recedes with an amendment inserting

INTERAGENCY AGREEMENT FOR JOINT ADMINISTRATION OF THE ACT.

(A) IN GENERAL. Not later than 180 days after the date of enactment of this Act, the Secretary of Labor and the Secretary of Education, acting jointly, shall prepare and submit to the President, the Committee on Economic and Educational Opportunities of the House of Representatives, and the Committee on Labor and Human Resources of the Senate, an interagency agreement as described in paragraph (B). Such interagency agreement shall also be available to the public through publication in the Federal Register.

(1) A determination of the manner in which the Secretary of Labor and the Secretary of Education will provide personnel and other resources of the Department of Labor and the Department of Education for the joint administration of the block grant established by this Act, including an organizational structure for the Departments.

(2) A determination of the manner in which the Secretary of Labor and the Secretary of Education, acting jointly, will carry out their duties and responsibilities under this Act, including the issuance of uniform regulations

(3) A description of the Secretaries' plan for assessment and evaluation, research, demonstrations, dissemination of model programs, and technical assistance, pursuant to section\_\_\_\_."

358b. The Senate amendment, but not the House bill, provides that the National Board shall review the Secretaries' workplan. The National Board may reject the workplan and submit their own workplan to the President outlining the transfers to be made to the Federal Partnership.

SENATE OFFER: The Senate recedes.

358c. Under the Senate amendment, but not the House bill, the President shall make a decision regarding the implementation of



such workplan.

SENATE OFFER: The House recedes with an amendment inserting

"REVIEW. -- Not later than 225 days after the date of enactment of this Act, the President shall --

(I) review and approve the interagency agreement; or

(ii) prepare and implement an alternative plan that contains the analysis, information, and determinations described in paragraph (I)."

358d. The Senate amendment, but not the House bill, provides that if the Secretaries do not submit a workplan, the President shall delegate full responsibility for the administration of this Act to either the Secretary of Labor or the Secretary of Education.

SENATE OFFER: The Senate recedes.

359. The Senate amendment, but not the House bill, requires an initial one-third reduction in the number of Federal employees necessary to perform the functions associated with the Federal administration of the Act. Not later than 5 years after the date of initial transfers to the Federal Partnership there must be a 60% reduction in the number of Federal employees, unless the Secretaries submit a report to Congress stating why such reduction has not occurred. However, there must be a minimum 40% reduction in the number of Federal employees.

SENATE OFFER: The House recedes with an amendment inserting

"EFFECT ON PERSONNEL. -- The Secretary of Labor and the Secretary of Education shall take such actions as may be necessary, including reduction in force actions, consistent with sections 3502 and 3595 of title 5, United States Code, to ensure that the positions of personnel that relate to the administration of a program consolidated by this Act and are not transferred under

paragraph () are separated from service.

SCOPE. --

(A) INITIAL REDUCTIONS. -- Not later than the date of the transfer made under paragraph\_\_, the Secretary of Labor and the Secretary of Education shall take the actions described above, including reduction in force actions, with respect to not less than 1/3 of the number of positions of personnel that relate to a program consolidated by the Act.

(B) SUBSEQUENT REDUCTIONS. -- Not later than 5 years after the date of the transfer made under paragraph\_\_, the Secretary of Labor and the Secretary of Education shall take the actions described above --

(I) with respect to not less than 60 percent of the number of positions of personnel that relate to a program consolidated by this Act, unless the Secretaries submit (prior to the end of such 5-year period) a report to Congress demonstrating why such actions have not occurred; or

(ii) with respect to not less than 40 percent of the number of positions of personnel that relate to a program consolidated by this Act, if the Secretaries make the determination and submit the report referred to in subclause (I)."

360. The Senate amendment, but not the House bill, provides that personnel from ETA and OAVE that do not perform functions related to the administration of the Act will be transferred to other entities in the appropriate department.

SENATE OFFER: The Senate recedes.

361. The Senate amendment, but not the House bill, requires the Secretaries to submit an additional workplan outlining the transfers of individuals to entities other than the Federal Partnership.

SENATE OFFER: The Senate recedes.

362. The Senate amendment, but not the House bill, eliminates the Office of Adult and Vocational Education (OAVE) within the Department of Education and the Employment and Training Administration (ETA) within the Department of Labor on July 1, 1998.

SENATE OFFER: The Senate recedes.

*Wagner-Peyser (Employment Service)*

363. The Senate amendment, but not the House bill, amends section 1 of the Wagner-Peyser Act to provide that the Federal Partnership shall oversee the activities of the Employment Service.

The Senate recedes.

364. Both the House bill and the Senate amendment amend section 2 to reflect the repeal of the Job Training Partnership Act and to conform the definitions and terms to each of the appropriate bills.

The Senate recedes with an amendment inserting

"(1) in paragraph (1), by striking 'Job Training Partnership Act' and inserting 'The Workforce and Career Development Act of 1996';

(2) in paragraph (2) to read as follows: "(2) the term 'local workforce development board' means a local workforce development board established under The Workforce and Career Development Act of 1996,";

(3) in paragraph (4) to read as follows: "(4) the term 'local

workforce development area' means a local workforce development area established under The Workforce Development and Career Act of 1996;"

(4) in paragraph (5), by striking the period at the end and inserting a semicolon; and

(5) by adding at the end the following new paragraphs:

"(6) the term 'public employment office' means an office which provides employment services to the general public and is part of the one-stop career center system

"(7) the term 'one-stop career center system' means a one-stop career center system established under The Workforce and Career Development Act of 1996.".

365. Both the House bill and the Senate amendment amend section 3, the duties of the Federal government, by requiring the Secretary of Labor (or the Federal Partnership in the Senate amendment) to assist in the coordination and development of a nationwide system of labor exchange services for the general public, to assist in the development of continuous improvement models for such nationwide system which ensures private sector satisfaction and meets the demands of job seekers, and to ensure the continued services for individuals receiving unemployment compensation.

The House recedes with an amendment inserting

"() IN GENERAL. -- Section 3(a) of the Wagner-Peyser Act (29 U.S.C. 49b(a)) is amended to read as follows:

"(a) The Secretary of Labor shall, pursuant to title II of this

Act --

"(1) assist in the coordination and development of a nationwide system of labor exchange services for the general public, provided as part of the one-stop career center systems of the States;

"(2) assist in the development of continuous improvement models for such nationwide system that ensure private sector satisfaction with the system and meet the demands of job seekers relating to the system; and

"(3) ensure, for individuals otherwise eligible to receive unemployment compensation, the continuation of any activities in which the individuals are required to participate to receive the compensation."

366. The Senate amendment, but not the House bill, makes conforming amendments to the Unemployment Compensation Amendments of 1976.

The House recedes.

367. Both the House bill and Senate amendment amend section 4 to require the Governor (and in the House bill, the Governor through the collaborative process) to designate a State agency to carry out the Act.

The House recedes with an amendment inserting "(1) by striking" a State shall, through its legislature," and inserting a Governor in consultation with the State legislature shall"

367a. In the House bill, the designated State agency cooperates with the Secretary of Labor. In the Senate amendment, such agency cooperates with the Federal Partnership.

The Senate recedes.

368. The House bill requires that 25% of the funds available under the Wagner-Peyser Act be used to cover both the current BLS programs (funded under sec. 14) and to support State/local labor market information.

The House recesses.

369. The Senate amendment, but not the House bill, amends section 5<sup>o</sup> to strike an obsolete provision.

The House recesses.

370. Both the House bill and the Senate amendments amend section 7 to conform with the repeals of the Job Training Partnership Act and the Carl D. Perkins Vocational and Applied Technology Education Act.

The House recesses with an amendment striking "Workforce Development Act of 1995" and inserting "Workforce and Career Development Act of 1996".

370a. The Senate amendment, but not the House bill, requires that labor exchange services be provided through the one-stop career center system. The House bill has a similar provision in its definition of "Public Employment Office."

The House recesses with an amendment striking "through" and inserting "as part of".

371. Both the House bill and the Senate amendment amend section 8 to require States to submit detailed plans for carrying out this Act as a part of their workforce development plans.

The Senate recesses with an amendment inserting "(a) Any State

desiring to receive assistance under this Act shall submit to the Secretary, as part of the State plan submitted under the Workforce Development and Career Act, detailed plans for carrying out the provisions of this Act within such State.";

372. Both the House and Senate bills repeal section 11, the Federal Advisory Council.

The Senate recesses.

373. Both the House bill and the Senate amendment include conforming amendments.

The Senate recesses with an amendment striking reference to "Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act" and inserting "the Workforce and Career Development Act of 1996".

#### *Labor Market Information*

374. The Senate amendment, but not the House bill, requires States to use a portion of their workforce employment funds to pay for a statewide labor market information system. (See Note 368 for related House provision)

The Senate recesses.

375. The House bill, but not the Senate amendment, places the labor market information activities under the Wagner-Peyser Act.

The Senate recesses with an amendment inserting "There shall be authorized an appropriation of \$65 million for FY1998 and such sums through 2002."

375a. [New Note - The House bill, but not the Senate amendment

provides a purpose.]

The House recedes.

376. The House bill provides the Secretary of Labor with the responsibility for the LMI system. The Senate amendment provides this responsibility to the Federal Partnership. Both the House bill and the Senate amendment list comparable elements of the nationwide LMI system, with language differences.

The House recedes with an amendment inserting

SEC.22.SYSTEM CONTENT.

"(a) IN GENERAL.- The Secretary of Labor, in accordance with the provisions of this title, shall oversee the maintenance and continuous improvement of the system of labor market information which includes --"

(Manager's language to be provided by D'Arcy and Heather)

376a. The House bill specifies that data may include data aggregated by demographic characteristics. The Senate amendment states that data may be from "cooperative statistical" programs.

The Senate recedes with an amendment inserting "(1) statistical programs of data collection, compilation, estimation and publication conducted in cooperation with the Bureau of Labor Statistics."

376b. The House bill includes data on individuals with severe disabilities and clarifies that data under this part are available from the Bureau of Census and other sources. The Senate amendment specifies that such data should be current and be collected from populations at the substate, State and national level.

The House and Senate recede.



376c. The House bill, but not the Senate amendment, specifies that data shall be maintained in an aggregated fashion and specifies that such data are available from the Bureau of Census and other sources.

The House and Senate recede.

376d. The House bill, but not the Senate amendment, clarifies that information such as the unemployment insurance wage data records may be used.

The House and Senate recede.

376e. The Senate amendment, but not the House bill, specifies the form in which employment and consumer information shall be collected.

The House and Senate recede inserting

"(2) State and local employment information including other appropriation statistical data related to labor market dynamics (compiled by and for the States and localities with technical assistance from the Secretary of Labor) that will:

(A) assist individuals to make informed choices related to employment and training;

(B) assist employers to locate and train employees."

376f. The House bill would profile "employers" as opposed to "industries" as in the Senate amendment. The House bill, but not the Senate amendment would also collect information on hiring patterns.

The House and Senate recede.

376g. The House bill, but not the Senate amendment, specifies

that aggregate data shall be maintained.

The House and Senate recede.

376h. The House bill includes collection of information on the level of satisfaction of the participants and their employers and would also require the collection of descriptive information on programs (beyond performance).

The Senate amendment requires that the performance data include the percentage of program completion, while the House bill refers to summary data on program completion.

The House and Senate recede.

376hh. [New Note -- The House bill and the Senate amendment provide for technical standards.]

The House recedes with an amendment, ~~strike "and occupational"~~

*change from Mary Ann 5-16-96*  
III technical standards for data and information, which at a minimum, meets the criteria of chapter 35 of title 99.

376i. The Senate amendment, but not the House bill, also includes standardized definitions of labor market terms related to State benchmarks.

The House and Senate recede.

376j. The Senate amendment, but not the House bill, clarifies that the collection and analysis should be of labor market and occupational information.

The House and Senate recede.

376k. The Senate amendment, but not the House bill, specifies occupational information.

The House and Senate recede.

376l. The House bill uses the term "Federal," the Senate version uses the term "national" for the purposes of policy making.

The Senate recedes with an amendment inserting

"(4) analysis of data and information for such uses, but not limited to, State and local policy making;

376m. The Senate amendment, but not the House bill, also specifies research on occupational dynamics.

The House and Senate recede.

376n. The House bill, but not the Senate amendment, includes the standardization of technical standards and the design of user interfaces and communication protocols.

The Senate recedes with an amendment inserting

"(5) wide dissemination for data and analysis, training for users of the data and analysis, and voluntary technical standards for dissemination mechanisms;"

376o. The House bill includes programs providing assistance in using systems to improve access to individuals to labor market information. The Senate amendment includes programs in the area of continuous improvement of data and provides for the training of counselors, teachers and others in using the LMI system to improve career decision making.

The Senate recedes with an amendment inserting

"(6) programs of research and demonstration, and technical assistance for States and localities;"

377. The House bill, but not the Senate amendment, specifies that statistical information collected as part of the LMI system would be subject to a number of confidentiality requirements. (This language is similar to the current statutory language under which the census data is collected)

The Senate recedes with an amendment inserting

"(b) INFORMATION TO BE CONFIDENTIAL. --

(1) IN GENERAL -- No officer or employee of the Federal Government or agent of the Federal Government may --

'(A) use the information furnished under the provisions of this title for any purpose other than the statistical purposes for which it is supplied;

'(B) make any publication whereby the data contained in the information so furnished under this title can be used to identify any individual; or

'(C) permit anyone other than the sworn officers, employees or agents of any Federal department or agency to examine individual reports."

378. Under the House bill, but not the Senate amendment, any information collected as part of the LMI system may not be used against an individual in a legal process.

The Senate recedes with an amendment inserting

"(2) IMMUNITY FROM LEGAL PROCESS. -- Any information which is collected and retained for purposes under this title shall be immune from the legal process and shall not, without the consent of the individual concerned, be admitted as evidence or used for any purpose in any action; suit, or other judicial or administrative proceeding.

'(3) Nothing in this section shall be construed to immunize such information if it is independently collected or produced for

purposes other than for under this Act."

(Manager's language on alternate immunity language)

379. Both the House bill and the Senate amendment outline the cooperative administrative structure for the LMI system, but the House bill refers to local entities as part of such structure.

The Senate recedes with an amendment

#### "SEC.23. SYSTEM RESPONSIBILITIES.

' (a) IN GENERAL. -- The labor market information system shall be planned, administered, overseen, and evaluated by a cooperative governance structure involving the Federal Government, States, and local entities.

' (b) DUTIES. -- The Secretary, with respect to data collection, analysis, and dissemination of labor market information, shall carry out the following duties:

(1) Assign responsibilities within the Department of Labor for elements of the system content described in [section 22] to ensure that all statistical and administrative data collection activities are consistent;

(2) Actively seek the cooperation of other Federal agencies to establish and maintain mechanisms for ensuring complementary and nonduplication in the development and operation of statistical and administrative data collection activities;

(3) Eliminate gaps and duplication in statistical undertakings, with the systemization of wage surveys as an early priority;

(4) In collaboration with the States and the Bureau of Labor Statistics, develop and maintain the necessary elements of the system described in [section 22], including the development of consistent definitions for use by the States in collecting the data and information in [section 22(a)(1) and (2)], and development of the annual plan described in [section 24].

380. The House bill, but not the Senate amendment requires the Secretary of Labor to carry out specific duties with respect to data collection.

The House recesses.

381. The House bill requires the Secretary, in collaboration with Bureau of Labor Statistics to carry out additional duties. The Senate amendment requires plan information regarding such duties.

The House recesses.

382. The House bill, but not the Senate amendment, clarifies that the annual plan is part of the DOL budget submitted to Congress. As such, it is the written justification for the use of these funds and for the priority of these funds for the following fiscal year. Both the House bill and the Senate amendment require the plan to include various elements. To the extent that both bills include similar elements, there are differences in content.

The House recesses with an amendment inserting

"SEC.24. \_\_ANNUAL PLAN.

(a) IN GENERAL. The Secretary of Labor, in collaboration with the States and the Bureau of Labor Statistics, and with the assistance of other appropriate Federal agencies, shall prepare an annual plan that shall constitute the cooperative Federal-State governance structure for the labor market information system. The plan shall --

(1) describe the elements of the system, including consistent definitions, formats, collection methodologies, and other necessary system elements, for use in collecting the data and information described in [section 22(a)(1) and (2)];

(2) describe how the system will ensure that -

(A) data are timely;

(B) administrative records are consistent in order to facilitate aggregation of data;

© paperwork and reporting are reduced to a minimum; and

(D) States and localities are fully involved in the maintenance and continuous improvement of the labor market system at the State and local level.

(3) evaluate the performance of the system and recommend needed improvement; and

(4) describe current spending and spending needs to carry out activities under this title;"

383. The House bill requires that the plan be developed through a formal process involving the Secretary of Labor, Bureau of Labor Statistics and State directors of LMI, whereas the Senate amendment requires a description of formal consultations.

The Senate recedes with an amendment inserting

"(b) COOPERATION WITH THE STATES. - The Secretary of Labor and the Bureau of Labor Statistics, in cooperation with the States, shall develop the plan by holding formal consultations, which shall not be less than semi-annual, with State representatives who have expertise in labor market information selected by the Governors of each State, representatives, elected by and from among the persons who perform the duties specified in Sec.\_\_\_\_, from each of the ten Federal regions of the Department of Labor, pursuant to a process agreed upon by the Secretary of Labor and the States, and employers or representatives of employers."

384. Both the House bill and the Senate amendment allow for representatives of the Governor to participate in deliberations

relating to budget issues for the development of the annual plan.

The House and Senate recede.

385. Under both the House bill and the Senate amendment, the Governor must designate a single State agency (or entity in the Senate amendment) to be responsible for the management of the statewide LMI system. Under the House bill this agency would also have an oversight role. In the Senate amendment, the oversight function would be carried out under an interagency process.

The House recedes with an amendment inserting

(1) DESIGNATION OF STATE AGENCY. - In order to receive Federal financial assistance under this title, the Governor of a State -

(A) shall designate a single State agency or entity within the State to be responsible for the management of the statewide comprehensive labor market information system; and

(B) may establish a process for the oversight of a statewide comprehensive labor market system.

386. Both the House bill and the Senate amendment require States to carry out specific duties in exchange for receipt of funds. To the extent that both bills include similar requirements, they differ in content.

The House recedes with an amendment inserting

(2) DUTIES. - In order to receive Federal financial assistance under this title, the State agency within the State designated under [paragraph (1)(B)] shall -

(A) consult with employers and local workforce development boards, where appropriate, about the labor market relevance of the data to be collected and displayed through the statewide comprehensive labor marker system;



(B) maintain and continuously improve upon a labor market information system consistent with this title;

© ensure the performance of contract and grant responsibilities for data collection, analysis, and dissemination;

(D) conduct such other data collection, analysis, and dissemination activities as will ensure comprehensive State and substate labor market information; and

(E) participate in the development of the annual plan described in [subsection (b)(2)]."

386a. [New Note -- The Senate amendment, but not the House bill, provides for a rule of construction.]

The House recedes.

387. Under the Senate amendment, but not the House bill, this section takes effect July 1, 1998. (See Note 456 for comparable House provision)

The House recedes.

#### *UI Trust Fund*

388 . The Senate amendment, but not the House bill, makes amendments to the Unemployment Trust Fund to conform with the Workforce Development Act.

The Senate recedes.

#### *Limited Federal Regulations*

389. The House bill, but not the Senate amendment, restricts Department of Education and Department of Labor from issuing unnecessary regulations in regard to this Act.

The Senate recedes with an amendment inserting after the word "shall", "pursuant to the interagency agreement jointly"

#### *National Programs*

#### *Education/Youth*

390. The House bill authorizes \$25 million or 20% of total funding for the youth development block grant funding -- whichever is less -- for Federal research, a national assessment of youth development programs and a national center(s) for research on youth development programs. The Senate amendment reserves 0.15% of the \$5.884 billion authorization (\$8,826,000) for a national center for research in education and workforce development, a national assessment of vocational education and the National Institute for Literacy.

The House and Senate recede.

391. The House bill, but not the Senate amendment, allows the Secretary to award discretionary grants for demonstration and model programs. Funds may also be used by the Department of Education for evaluation, capacity building and technical assistance.

The Senate recedes with an amendment inserting

Sec. .EVALUATION, RESEARCH, DEMONSTRATIONS, DISSEMINATION, AND TECHNICAL ASSISTANCE --

(a) INTERAGENCY AGREEMENT. --

(1) IN GENERAL. -- Using amounts made available under this section, the Secretaries shall, as part of the Interagency

agreement required under section , develop a single plan for assessment and evaluation, research, demonstrations, dissemination of model programs, an technical assistance activities with regard to the services and activities carried out under this title.

(2) Such plan shall --

(A) identify the activities the Secretaries will carry out under this section;

(B) describe how such activities are carried out collaboratively;

© describe how the Secretaries will jointly evaluate the programs assisted under this Act, pursuant to subsection (b); and

(D) include such other information as the Secretaries determine to be appropriate through the Interagency agreement.

(b) EVALUATION AND ASSESSMENT. --

(1) In GENERAL. -- The Secretaries acting jointly shall conduct an assessment and evaluation of employment and training, vocational education, adult education and literacy and at-risk youth activities assisted under this title through studies and analyses conducted independently through competitive awards.

(2) CONTENTS. -- Such assessment shall include descriptions and evaluations of --

(A) the extent to which State, local and tribal entities have developed, implemented or improved the system under this title;

(B) the degree to which the expenditures at the Federal, State, local and tribal levels address improvement in services under this title, including the impact of Federal allocations on the delivery of services;

© the extent to which vocational education and at-risk youth activities assisted under this title succeed in preparing

individuals participating in such activities for entry into postsecondary education, further learning, or high-skill, high-wage careers;

(D) the effect of benchmarks, performance measures, and other measures of accountability on the delivery of employment and training, vocational education, adult education and literacy, including family literacy, and at-risk youth activities;

(E) the extent to which employment and training activities enhance the employment earnings of participants, reduce income support costs, improve the employment competencies of participants, and increase the level of total employment over the level of employment that would have existed in the absence of such activities which may be evaluated using experimental and control groups chosen by scientific random assignment;

(F) the extent to which the adult education and literacy, including family literacy, activities and services supported under this title increase the literacy skills of adults, and children in the case of family literacy [programs or activities], lead to the participants involvement in further education and training, enhance the employment and earnings of participants, and, where appropriate, lead to other positive outcomes such as reductions in recidivism in the case of prison based programs.

(3) AUTHORIZATION. -- There should be authorized \$15 million for FY1998 and such sums from FY1999 through FY2002.

(c) RESEARCH. --

(1) IN GENERAL. -- The Secretaries, pursuant to the Interagency agreement, shall provide competitive grants to an institution of higher education, public or private organization or agency or a consortium of such institutions, organizations or agencies to establish a national research center or centers to carry out the following activities --

(A) research for the purpose of developing, improving, and identifying the most successful methods and techniques for addressing the education (including adult education and literacy), employment and training needs of adults;

(B) research for the purpose of developing, improving, and identifying the most successful methods for successfully addressing the education, training, and employment needs of at-risk youth;

© research to increase the effectiveness and improve the implementation of vocational education activities, including conduction research and development and providing technical assistance with respect to --

(1) combining academic, vocational education, and worksite learning;

(2) identifying ways to establish effective linkages among educational, at-risk youth, and employment and training activities at the State and local levels;

(3) conducting studies providing longitudinal information or formative evaluation on vocational education activities funded under this title.

(D) research to increase the effectiveness of and improve the quality of adult education and literacy services, including family literacy;

(E) provide technical assistance to States and local recipients of assistance under this title in developing and using benchmarks and performance measures for improvement of activities and services;

(F) such other activities as the Secretaries, acting jointly, determine to be appropriate to achieve the purposes of this title; and

(G) the Secretaries shall provide an annual summary of the research, findings, evaluations, and assessments conducted pursuant to this title to the Committee on Economic and Educational Opportunities and the Committee on Labor and Human Resources.

(2) AUTHORIZATION. -- There is to be authorized to be appropriated \$15 million for FY1998 and such sums for FY1999 through FY2002.

5/17 House  
(Sally)

Note 391 - make this (C) under Demarc. Dissem.

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'T'A

to allow Assoc. of  
Retired Citizens to  
still apply for  
continued

1 most appropriately administered at the national  
2 level. Such activities may include—

3 (A) partnerships with national organiza-  
4 tions with special expertise in developing, orga-  
5 nizing, and administering employment and  
6 training services at the national, State, and  
7 local levels, ~~such as industry and labor associa-~~  
8 ~~tions, health care providers, and~~ community-based  
9 organizations representative of groups that en-  
10 counter special difficulties in the labor market,  
11 in education and training; and

12 (B) activities that—

13 (i) address industry-wide skill short-  
14 ages;

15 (ii) meet training needs that are best  
16 addressed on a multistate basis;

17 (iii) further the goals of increasing the  
18 competitiveness of the United States labor  
19 force;

20 (iv) require technical expertise avail-  
21 able at the national level to serve the needs  
22 of particular client groups that encounter  
23 significant barriers to employment and who  
24 the Secretary determines require special  
25 assistance; and

(d) DEMONSTRATIONS, DISSEMINATION, AND TECHNICAL ASSISTANCE. --

(1) IN GENERAL. -- The Secretaries, pursuant to the Interagency agreement are authorized to carry out demonstration programs, replication of model programs, dissemination of best practices information, and technical assistance for the purposes of developing, improving, and identifying the most successful methods and techniques for providing the services and activities authorized under this Act. Such activities may be carried out directly or through grants, contracts, cooperative agreements, or through the national center or centers, and may include --

(A) projects conducted jointly with the Department of Defense to develop training programs utilizing computer-based and other innovative learning technologies; and

(B) projects which promote the use of distance learning, enabling students to take courses through the use of media technology, such as video, teleconferencing, computers, and the Internet.

(C)  
(2) CLEARINGHOUSE. -- The Secretaries shall maintain a clearinghouse, through the national center or centers that will collect and disseminate data and information, including information on best practices to Federal, State, and local organizations, agencies, and service providers about the condition of statewide systems and activities funded under this title.

(3) TECHNICAL ASSISTANCE. -- The Secretaries shall provide technical assistance to States and local areas to enhance the capacity to develop and deliver effective programs under this title.

(4) AUTHORIZATION. -- There is to be authorized to be appropriated \$30 million for FY1998 and such sums for FY1999 through FY2002.

HR  
392. The House bill, but not the Senate amendment, requires the Secretary of Education to establish a system to disseminate information received from research and development activities.

HR  
SR  
393. The House bill requires Office of Educational Research and Improvement to conduct a biennial assessment. The Senate amendment requires the Secretary to conduct an assessment.

394. The Senate amendment, but not the House bill, creates a national advisory panel to advise the Secretary on the assessment. The advisory panel may submit an independent analysis to the appropriate congressional committees and the Federal Partnership.

The Senate recesses.

395. Both the House bill and the Senate amendment require the assessment to review certain activities.

The House and Senate recess.

395a. Both the House bill and the Senate amendment require a



review of how funds received are being used by State and local areas to achieve the intended results of this Act; program improvement; the effect of performance measures, accountability and State and local assessments; and the success of students in meeting academic and occupational measures.

The House and Senate recede.

395b. Both the House bill and the Senate amendment have additional assessment requirements.

The House and Senate recede.

396. The Senate amendment, but not the House bill, requires the Secretary to consult with Congress on the design and implementation of the assessment. The Senate amendment further requires an interim report to Congress and prohibits review of the report outside the Department of Education prior to the transmittal to Congress.

The Senate recesses.

397. The Senate amendment has an effective date of July 1, 1998. (See Note 456 for comparable House provision.)

The Senate recesses.

398. Both the House bill and the Senate amendment allow institutions of higher education, public and private agencies or consortia of such agencies to compete for a national research

center contract.

The House and Senate recede.

398a. The House bill allows the Secretary of Education to contract for a National center to conduct research. The Senate amendment allows the Secretary of Education and the Secretary of Labor, acting on the advice of the Federal Partnership, to award a contract for a national center.

The House recedes.

398b. The House bill, but not the Senate amendment, requires that if such centers are established, the national center currently in operation shall continue under the terms of its contract.

The House recedes.

399. Both the House bill and the Senate amendment require the center to carry out required activities.

The House and Senate recedes.

399a. Both the House bill and the Senate amendment require research and assistance in combining academic and vocational education, new models for remediation of academic skills, new linkages among education and job training, and new models for career guidance.

The House and Senate recedes.

399b. Both the House bill and the Senate amendment have additional required activities.

The House and Senate recedes.

400. Both the House bill and the Senate amendment require the center to help States and localities develop performance measures and indicators. The House bill further requires the center to provide technical assistance and outreach.

The House and Senate recedes.

401. Both the House bill and the Senate amendment require the center to maintain a clearinghouse to disseminate information to Federal, State and local entities.

The House and Senate recedes.

402. The Senate amendment allows the Federal Partnership to ask the center to study topics or conduct activities as they determine necessary. The House bill allows the Secretary of Education to request that the center conduct other activities.

The Senate recedes.

403. The Senate amendment, but not the House bill, requires the center to identify current research and technical assistance needs using a variety of sources including a panel of Federal, State and local practitioners.

The Senate recedes.

404. The House bill and the Senate amendment require the center to annually submit a report to the Secretaries of Education and Labor and to the House and Senate authorizing committees. The Senate amendment further requires the center to annually submit a report to the Federal Partnership.

The House and Senate recede.

405. The Senate amendment, but not the House bill, provides a 6 month transition period between the current grant award expiration and subsequent authorization.

The House recedes with an amendment striking "on the advice of the Federal Partnership".

406. Both the House bill and the Senate amendment use the definition of higher education which excludes proprietary schools. (See Note 36 for House definition of "eligible institution.")

The House recedes.

407. The Senate amendment, but not the House bill, makes conforming amendments to current law for the transition period.

The House recedes.

408. The Senate amendment has a July 1, 1998 effective date and includes a January 1, 1998 effective date for the transition period for the national center. (See Note 456 for comparable House provision.)

The House recedes.

## *Employment and Training Activities*

409. The House bill reserves 15% of the adult employment and training grant authorization (\$327 million) for national discretionary grants (including incentive grants, research, development, and workforce development loans). The Senate amendment reserves 5% of the \$5.88 billion authorization (\$294 million) for national discretionary grants, incentive grants and for the administration of this title.

### **HOLD**

410. Under the House bill, the Secretary of Labor is provided full discretion to award grants for major economic dislocations. Under the Senate amendment, the Secretary of Labor and the Secretary of Education must act jointly on the advice of the Federal Partnership for the award of such grant. The Senate amendment also includes a provision for an emergency determination.

The Senate recedes with an amendment inserting

### **SEC. \_\_\_\_ . NATIONAL EMERGENCY GRANTS**

#### **(a) NATIONAL RAPID RESPONSE GRANTS. -**

(1) IN GENERAL. - From the amounts reserved under section \_\_, the Secretary of Labor, in accordance with the Interagency agreement developed pursuant to section \_\_, is authorized to award national emergency grants, in a timely manner, to a State or local entity to provide adjustment assistance to workers affected by major economic dislocations such as, but not limited to, plant closures, base closures, or mass layoffs."

Manager's language -- drafted by Suzanne Day:

For the purposes of awarding a National Rapid Response Grant, it is the intent of the manager's that the Secretary of Labor should develop criteria to determine if an event constitutes a "major economic dislocation." In doing so, the

Secretary should consider the number of workers effected in relation to the size and unique situation of the community effected, rather than by establishing any one threshold number. The manager's are deeply concerned that establishing an arbitrary threshold overlooks the varying impact of these kinds of events on communities of different sizes. For instance, a plant closing or other event effecting a small number of workers has a profoundly different impact on a large community as compared to a small community.

411. The House bill includes a number of entities as eligible to receive grants under this part. The Senate amendment includes a State or local entity as eligible to receive grants under this part. (See Note 53 for Senate description of "local entity.")

The House recedes with an amendment inserting "()  
ELIGIBLE ENTITIES. -- To be eligible to receive a grant under this section for activities described in this subsection, an eligible entity shall be a public or private State or local entity."

(Manager's language to be provided by D'Arcy and Ted)

412. Under the House bill, eligible entities must submit an application to the Secretary of Labor. Under the Senate amendment, such entities must submit an application to the Federal Partnership.

The Senate recedes.

413. Both the House bill and the Senate amendment provide that funds may be used for disaster relief employment assistance.

The Senate recedes with an amendment inserting "()  
GENERAL. -- From amounts reserved under section\_\_, the Secretary of Labor, in accordance with the Interagency agreement, may provide assistance to the Governor of any State within which is located an area that has suffered an emergency or a major

disaster as defined in paragraphs (1) and (2), respectively, of section\_\_ of the Robert T. Stafford Relief and Emergency Assistance Act (referred to in this section as the "disaster area").

414. The House bill, but not the Senate amendment, clarifies that funds may be expended through public and private agencies.

The Senate recesses.

415. Under the House bill, but not the Senate amendment, only individuals dislocated or laid off due to the disaster are eligible to be offered disaster employment.

The House recesses.

416. The House bill, but not the Senate amendment, limits the length of time such individuals may be employed under this part to six months.

The House recesses. (Manager's Language to be drafted by Mary)

417. The House bill, but not the Senate amendment provides for the Secretary of Labor to use a portion of its' discretionary funding to carry out research, demonstrations, evaluations, national partnerships, capacity building and technical assistance.

The House recesses.

417a. Both the House bill and the Senate amendment provide for ongoing evaluations of employment-related activities, including the use of controlled experiments using groups chosen by random

assignment. In the House bill, the Secretary of Labor performs the evaluations, and in the Senate amendment the States perform the evaluations. (See Note 163)

The House recesses.

417b. The House bill, but not the Senate amendment, also allows the Secretary of Labor to conduct evaluations of other Federal employment-related workforce programs to determine their effectiveness. (See Note 164)

The House recesses.

417c. The House bill requires the Secretary of Labor to provide capacity building and technical assistance. The Senate amendment requires the Secretary of Labor and the Secretary of Education, acting jointly, to provide technical assistance in appropriate cases. (See Note 354.)

The House recesses.

418. The House bill, but not the Senate amendment, allows the Secretary of Labor to use a portion of its' discretionary funding to make grants to States to establish workforce skills and loan programs.

**HOLD**

*Native American Programs*



419. The House bill reserves 4% of the Adult Employment and Training Grant authorization or \$85 million, whichever is less, for Native American programs. The Senate amendment reserves 1.25% of the \$5.884 billion authorization (\$73.5 million) for Native American programs.

**HOLD**

Agreement to do a percentage to reach about \$85 million.

420. The Senate amendment, but not the House bill, allows the Secretaries to reserve a portion of at-risk youth funds to carry out programs for Native American at-risk youth.

The Senate recesses.

421. The Senate amendment, but not the House bill, contains purposes.

The House recesses.

422. The Senate amendment includes several definitions relating to Indian workforce activities. (For comparable definition of Native American in the House bill see Note 57)

The House recesses.

(Legislative counsel to coordinate definition #2 w/the libraries section's definition)

423. Both the House bill and the Senate amendment authorize similar entities for the receipt of funds. However, in the House bill, Indian controlled organizations serving "off-reservation" areas are eligible, in the Senate amendment, such entities serving "Indians" are eligible. Also, the House bill specifies the types of areas served by Alaska Native entities.

The House recesses with an amendment striking "on the advice of the Federal Partnership" and inserting "pursuant to the

Interagency agreement described in section\_\_"

424. The Senate amendment, but not the House bill, requires the Secretaries to distribute funds by formula.

The Senate recesses.

425. Both the House bill and the Senate amendment list authorized activities. However, the Senate amendment further specifies such activities.

The House recesses with an amendment inserting

(d) AUTHORIZED ACTIVITIES -

(1) IN GENERAL. - Funds made available under this section shall be use to carry out the activities described in paragraphs (2) and (3) that -

(A) are consistent with this section; and

(B) are necessary to meet the needs of Indians or Native Hawaiians preparing to enter, reenter, or retain unsubsidized employment.

(2) WORKFORCE DEVELOPMENT ACTIVITIES AND SUPPLEMENTAL SERVICES. -

(A) IN GENERAL. - Funds made available under this section shall be used for -

(I) comprehensive workforce development activities for Indians or Native Hawaiians; or

(ii) supplemental services for Indian or Native Hawaiian youth on or near Indian reservations and in Oklahoma, Alaska, or Hawaii;

(3) VOCATIONAL EDUCATION, ADULT EDUCATION, AND LITERACY SERVICES. - Funds made available under this section shall be used for -

(A) workforce education activities conducted by entities described in subsection (c)(1); or

(B) the support of Tribally controlled postsecondary vocational institutions in order to ensure continuing and expanded educational opportunities for Indian students.

(Manager's language to be provided by Omer and Mark Zuckerman)

426. The Senate amendment, but not the House bill, continues eligibility for individuals previously eligible under the JTPA program for Native Americans.

The House recedes.

427. The House bill, but not the Senate amendment, allows for the Secretary of Labor to transfer authority to the Secretary of Education to carry out specific vocational education programs for Native Americans.

The Senate recedes with an amendment inserting

"( ) TRANSFER OF AUTHORITY FOR VOCATIONAL EDUCATION ACTIVITIES. -- The Secretary of Labor and the Secretary of Education, acting jointly, pursuant to the Interagency agreement described in section\_\_, may agree for the Secretary of Education to carry out any portion of assistance under such subsection devoted to vocational education activities including assistance to entities not eligible for funding pursuant to 25 U.S.C. 1801, the Tribally Controlled Community College Assistance Act."

428. The Senate amendment, but not the House bill, requires eligible entities to submit a 3-year plan to the Federal Partnership.

The House recedes with an amendment striking "Federal Partnership" and inserting "Secretaries".

429. Both the House bill and the Senate amendment allow eligible entities to further consolidate funds under this Act in accordance with P.L. 102-477.

The Senate recesses.

(Will need Leg. counsel's assistance w/subsection reference)

430. The Senate amendment, but not the House bill, includes provisions regarding nonduplicative and nonexclusive services.

The House recesses.

431. The Senate amendment, but not the House bill, establishes an office within the Federal Partnership to administer this section.

The House recesses with an amendment inserting

"(1) OFFICE ESTABLISHED. The Secretaries acting jointly pursuant to the Interagency agreement described in section\_\_, shall designate a single organizational unit that shall have as its primary responsibility the administration of the Native American program authorized under this subsection.

(2) TECHNICAL ASSISTANCE. The Secretaries, through the office established under paragraph (1), is authorized to provide technical assistance to entities described in subsection (c)(1) that receive assistance under this section to enable such entities to improve the workforce and career development activities provided by such entities."

432. Both the House bill and the Senate amendment require that regulations be developed in consultation with Tribal entities. Under the House bill, the Secretary of Labor is responsible for establishing regulations, whereas the Senate amendment specifies the Partnership, through the Native American office.

The Senate recesses with an amendment inserting

"() REGULATIONS. The Secretaries, acting jointly, with the

entities described in section (a) in establishing regulations to carry out this section, including performance standards for entities receiving assistance under subsection(a) taking into account the economic circumstances of such groups, and in developing a funding distribution plan that takes into consideration previous levels of funding and other sources of funds not provided pursuant to this Act."

433. The Senate amendment, but not the House bill, permits the Secretaries to act jointly in the distribution of at-risk youth funds, if any, for Native Americans.

The Senate recedes.

#### *Migrant and Seasonal Farmworker Program*

434. The House bill reserves 4% of the Adult Training and Employment authorization or \$85 million, whichever is less, for migrant and seasonal farm workers. The Senate amendment reserves 1.25% of the \$5.884 billion authorization (\$73.5 million) for migrant and seasonal farm workers.

**HOLD** -- determination of percentage

The House recedes with an amendment inserting \_\_\_\_% of the \$\_\_ billion authorization (\$75 million)

(Describe in Manager's Language migrants and/or seasonal farm workers issue)

434a. The House bill authorizes the Secretary of Labor to carry out this program. The Senate amendment authorizes the Secretaries, acting jointly on advice of the Federal Partnership, to carry out this program.

The House recedes with an amendment striking "on the advice of the Federal Partnership" and inserting "pursuant to the

Interagency agreement described in section\_\_"

435. The House bill allows the Secretary of Labor to determine eligible entities. The Senate amendment lists specific criteria for eligible entities.

The House recedes with an amendment inserting

"(b) ELIGIBLE ENTITIES. - To be eligible to receive a grant or enter into a contract under this section, an entity shall have an understanding of the problems of migrant and seasonal farm workers, a familiarity with the area to be served, and can demonstrate a capacity to administer effectively a diversified program of workforce development activities for migrant and seasonal farm workers."

436. The House bill lists specific allowable activities. The Senate amendment authorizes funds for "comprehensive workforce development activities and related services."

The Senate recedes with an amendment inserting

"(d) AUTHORIZED ACTIVITIES. - Funds made available under this section shall be used to carry out comprehensive workforce development activities and related services, for migrant and seasonal farm workers which may include, employment, training, appropriate educational assistance, literacy, English literacy program, worker safety training, housing, supportive services, and the continuation of the case management database on participating migrant and seasonal farm workers."

437. The House bill, but not the Senate amendment, require that regulations be developed in consultation with farmworker groups.

The Senate recedes with an amendment inserting

"(c) REGULATIONS. - The Secretaries acting jointly, shall consult with seasonal and migrant farmworker groups and States in establishing regulations to carry out this section, including

performance standards which take into account the economic circumstances of such groups of entities receiving assistance under subsection (a) ( )."

(Will need Leg. counsel's assistance w/site reference of subsection.)

438. The Senate amendment, but not the House bill, requires eligible entities to submit a 3-year plan to the Federal Partnership.

The House recedes with amendment inserting

"(1) IN GENERAL. To be eligible to receive a grant or enter into a contract under this section, an entity described in subsection (b) shall submit to the Secretaries a plan that describes a 3-year strategy for meeting the needs of migrant and seasonal farm workers and their dependents, in the area to be served by such entity."

439. The Senate amendment, but not the House bill, require that grants be distributed in consultation with Governors and local partnerships.

The House recedes with an amendment inserting

"(e) CONSULTATION WITH STATES AND LOCAL BOARDS. -- In making grants and entering into contracts under this section, the Secretaries shall consult with the Governors and with local workforce development boards described in section\_\_\_\_."

#### *Territories/Outlying Areas*

440. The House bill provides funding for territories in each of the three grants. For the youth grant, funds are available to territories through the State allotment, with the definition of "State" including such territories. For the adult employment and training grant, up to one quarter of 1% of the authorized

allotment available for States, (\$4.6 million), is reserved for territories. For the adult education and literacy grant, \$100,000 is reserved for each of the territories. The Senate amendment authorizes .2% of the \$5.884 billion authorization (\$11.76 million) for outlying areas.

#### HOLD

OFFER: The House recedes with an amendment striking "0.2 percent" and inserting "percentage based on a \$12 million authorization."

\* 441. The Senate amendment, but not the House bill, authorizes the Secretaries, acting jointly on the advice of the Federal Partnership, to award grants to outlying areas.

The House recedes with an amendment inserting

"Section\_\_\_\_.GRANTS TO OUTLYING AREAS.

(a)GENERAL AUTHORITY. Of the allotments reserved for the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau defined as Outlying Areas in section\_\_, the Secretaries acting jointly, pursuant to the interagency agreement provided under section\_\_, shall award grants for which Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau shall be eligible.

(b) The Secretaries shall award grants based on the recommendations for funding from the Pacific Region Educational Laboratory in Honolulu, Hawaii, which shall conduct a competition for such grants, and which shall receive no more than 5 percent for administrative costs.

© The eligibility of the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau for assistance under this Act shall terminate as of September 30, 2001."

#### OTHER



House recedes with an amendment.

Section \_\_\_\_\_. Grants to Outlying Areas.

(a) General Authority. Of the allotments reserved for the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau defined as Outlying Areas in section \_\_\_, the Secretaries acting jointly pursuant to the interagency agreement provided under section \_\_\_ shall award grants for which Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau shall be eligible.

(b) The Secretaries shall award grants based on the recommendations for funding from the Pacific Region Educational Laboratory in Honolulu, Hawaii, which shall conduct a competition for such grants, and which shall receive no more than 5% for administrative costs.

(c) The eligibility of the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau for assistance under this Act shall terminate as of September 30, 2001.

entity specified in section 1121(b)(2)(A) of ESEA

## BILINGUAL AND IMMIGRANT EDUCATION

*For carrying out, to the extent not otherwise provided, bilingual and immigrant education activities authorized by title VII of the Elementary and Secondary Education Act, without regard to section 7103(b), \$178,000,000 of which \$50,000,000 shall be for immigrant education programs authorized by part C: Provided, That State educational agencies may use all, or any part of, their part C allocation for competitive grants to local educational agencies: Provided further, That the Department of Education should only support instructional programs which ensure that students completely master English in a timely fashion (a period of three to five years) while meeting rigorous achievement standards in the academic content areas.*

## SPECIAL EDUCATION

*For carrying out parts B, C, D, E, F, G, and H and section 610(j)(2)(C) of the Individuals with Disabilities Education Act, \$3,245,447,000, of which \$3,000,000,000 shall become available for obligation on July 1, 1996, and shall remain available through September 30, 1997: Provided, That notwithstanding section 621(e), funds made available for section 621 shall be distributed among each of the regional centers and the Federal center in proportion to the amount that each such center received in fiscal year 1995: Provided further, That the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau shall be considered public or private nonprofit entities or organizations for the purpose of parts C, D, E, F, and G of the Individuals with Disabilities Education Act: Provided further, That, from the funds available under section 611 of the Act, the Secretary shall award grants, for which Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau shall be eligible, to carry out the purposes set forth in section 601(c) of the Act, and that the amount of funds available for such grants shall be equal to the amount that the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau would be eligible to receive if they were considered jurisdictions for the purpose of section 611(e) of the Act: Provided further, That the Secretary shall award grants in accordance with the recommendations of the entity specified in section 1121(b)(2)(A) of the Elementary and Secondary Education Act, including the provision of administrative costs to such entity not to exceed five percent: Provided further, That to be eligible for a competitive award under the Individuals with Disabilities Education Act, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau must meet the conditions applicable to States under part B of the Act.*

## REHABILITATION SERVICES AND DISABILITY RESEARCH

*For carrying out, to the extent not otherwise provided, the Rehabilitation Act of 1973, the Technology-Related Assistance for Individuals with Disabilities Act, and the Helen Keller National Center Act, as amended, and the 1996 Paralympics Games, \$2,456,120,000*

Tracking Stephanie's language 5/17

**Note 442.**

Senate recedes with an amendment

None of the funds made available under this Act shall be used to:

"for which such an individual is qualified" = Mark's suggestion

- (1) prohibit any individual from pursuing a specific career path or major; or
- (2) require any individual to choose or pursue a specific career path or major; or
- (3) compel any individual to enter into a specific course of study which requires, as a condition of completion, attainment of federally funded or endorsed industry recognized skills or standards; or
- (4) require any individual to meet or obtain federally funded or endorsed industry recognized skills, certificates, or standards, unless the individual has selected and is participating in a program or course of study which includes, as part of its requirements for completion attainment of industry recognized skills or standards.

How

Concern of Omer: getting to the path; once in path, OK who qualifies for training?

need to define qualifications for utilizing money: the system for the particular candidate.

442. The House bill, but not the Senate amendment, includes two provisions prohibiting the tracking of individuals, including youth, into a specific career or to require the attainment of a federally funded or endorsed skill certificate.

**HOLD** -- pending language to be drafted by Stephanie.

The Senate recedes with an amendment moving provision after the "PURPOSE" section and inserting

OFFER: "None of the funds made available under this Act shall be used to require to --

(1) limit individual choice with respect to a career or major;

(2) to require that any individual, particularly vocational education students and at-risk youth, choose a specific career path or major; or

(3) to compel any individual, particularly vocational education students or at-risk youth, to pursue a specific career or to attain a federally funded or endorsed industry-recognized skill standards or skill certificate."

443. The House bill provides that the Secretary of Labor and the Secretary of Education will ensure an orderly transition from programs repealed or amended. The Senate amendment provides that States and local entities may seek waivers from the Secretaries under any of the programs repealed or amended during the 2 year transition period.

The House recedes with an amendment inserting in paragraph (a) (1) (B) "and career", and striking "or workforce development activities for at-risk youth"; striking paragraph (2) (B); striking in paragraph (e) (1) (A) "workforce employment activities or workforce education activities" and inserting "employment and training, vocational education, adult education and literacy, or at-risk youth activities"; striking paragraph (e) (2); striking in paragraph (f) "45" and inserting "60"; striking in paragraph (g) "45" and inserting "60"; striking in paragraph (h) (1) (A) "workforce education activity" and inserting "vocational

education or adult education and literacy activities"; striking in paragraph (3)(A) "State educational agency" and inserting "eligible agency" and striking "workforce education activity" and inserting "vocational education and adult education and literacy activities".

**HOLD** on paragraph (I) CONFORMING AMENDMENTS.

444. The Senate amendment, but not the House bill, provides a flexibility demonstration program for six States (which meet specific eligibility requirements) to waive any statutory or regulatory requirement under any of the programs repealed or amended during the 2-year transition period.

The Senate recede.

445. The Senate amendment, but not the House bill, requires each State to submit an interim State plan to the Federal Partnership by June 30, 1997. The Secretaries may approve the interim plan and authorize the full integration of program funds and activities as provided in the block grant in fiscal year 1997. If the Secretaries disapprove the interim plan, they must make recommendations and provide technical assistance to States for developing the State plan to be submitted for fiscal year 1998.

The House recedes with an amendment inserting

"Beginning on the date of enactment of this Act, the Secretaries, acting jointly, shall provide technical assistance to States which require such assistance in preparing the State plan required under section\_\_, or in developing the State benchmarks required under section\_\_."

446. The Senate amendment, but not the House bill, provides that States and local entities will not be required to submit applications or plans in fiscal years 1996 or 1997 in order to receive funding under any programs which will ultimately be repealed under the Act.

See Wendy K

Note 449

change to Note 5 ? < HLD

HR w/amdt: (In addition to the other amendments already agreed to...)

After the repeal of Smith-Hughes, add:

"Funds appropriated under the first section of the Smith-Hughes Act (approved February 12, 1917, 39 Stat. 929, as amended (20 U.S.C. 11-15, 16-28)) shall be considered as funds appropriated pursuant to section \_\_\_\_ (vocational education activities) of this title.

Need special rule for Sm. A. Hughes

The House recedes with an amendment striking "1996 or".

447. The Senate amendment, but not the House bill, provides that the Federal Partnership will take over administration of the School-to-Work Opportunities Act on October 1, 1996.

The Senate recedes.

448. The Senate amendment, but not the House bill, extends the authorizations for the Carl D. Perkins Vocational and Applied Technology Act and the Adult Education Act through fiscal years 1998.

The House recedes with an amendment striking paragraphs (b) (2), (b) (3), and (b) (4).

### **Repealers**

449. Under the House bill, the Smith-Hughes Act is repealed on October 1, 1995. Under the Senate amendment, the following laws are repealed immediately upon enactment: (1) the State Legalization Impact Assistance Grant (SLIAG), (2) Title II of Public Law 95-250, (3) the Displaced Homemakers Self-Sufficiency Assistance Act, (4) the Appalachian Vocational and Other Education Facilities & Operations program, (5) the Job Training for the Homeless Demonstration Project, (6) Section 5322 of title 49, U.S.C, and (7) Subchapter I of chapter 421 of title 49, U.S.C.

The House recedes with an amendment striking repeals of "(6) Section 5322 of title 49, United States Code." and (7) "Subchapter I of chapter 421 of title 49, United States Code."

449a. Under the House bill, the following laws are repealed on July 1, 1997: (1) the Carl D. Perkins Vocational and Applied Technology Education Act, (2) the School-to-Work Opportunities

Act, (3) the Adult Education Act, (4) the Adult Education for the Homeless program, (5) the School Dropout Assistance Act, (6) the National Literacy Act (except section 101), (7) the Library Services and Construction Act, (8) the Technology for Education Act of 1994, and (9) the Job Training for the Homeless Demonstration Project.

Under the Senate amendment, the following laws are repealed on July 1, 1998: (1) the Carl D. Perkins Vocational and Applied Technology Education Act, (2) the School-to-Work Opportunities Act, (3) the Adult Education Act, (4) the Adult Education for the Homeless program, and (5) the Education for Homeless Children and Youth Education program.

**HOLD** -- issue of repeal of School-to-Work Act of 1994 (20 U.S.C. 6101 et seq.) -- per Omer.

The House recedes with an amendment striking repeal of "The School Dropout Assistance Act, (part C of title V of the Elementary and Secondary Education Act (U.S.C. 7261)); striking repeal of "The National Literacy Act of 1991, except section 101 of such Act"; striking repeal of Subtitle B of title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. \_\_\_\_ et seq.); and striking repeal of section \_\_\_\_ (veterans program -- section 738?) of Subtitle C of title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. \_\_\_\_ et seq.).

449b. Under the House bill, all of the Job Training Partnership Act, except for the Job Corps program and the veterans' employment programs, is repealed on July 1, 1997. Under the Senate amendment, all of the Job Training Partnership Act is repealed on July 1, 1998.

The House recedes with an amendment striking "EFFECTIVE DATES."

450. Both the House bill and the Senate amendment make



amendments to other laws to conform with the repeal of programs as described in Note 449.

Legislative counsel.

450a. Both the House bill and the Senate amendment make conforming amendments to other Federal laws which reference the Adult Education Act.

Legislative counsel.

450b. The Senate amendment, but not the House bill, makes conforming amendments to other Federal laws which reference the Carl D. Perkins Vocational and Applied Technology Education Act.

Legislative counsel.

450c. The Senate amendment, but not the House bill, makes conforming amendments to other Federal laws which reference the School-to-Work Opportunities Act of 1994.

HOLD -- per Omer.

450d. The House bill includes conforming amendments to the Job Training Partnership Act to reflect the repeal of some parts of such Act. The Senate amendment, which repeals the entire Job Training Partnership Act, makes conforming amendments to other Federal laws which reference the Job Training Partnership Act.

Legislative counsel.

450e. The Senate amendment, but not the House bill, makes conforming amendments to other Federal laws which reference the

Stewart B. McKinney Homeless Assistance Act.

Legislative counsel.

450f. The Senate amendment, but not the House bill, requires the Federal Partnership, after consultation with the appropriate committees of Congress and the Director of the Office of Management and Budget, to submit to Congress legislation containing further technical and conforming amendments.

The Senate recesses.

450g. Under the House bill, the conforming amendments are effective on July 1, 1997. Under the Senate amendment, the conforming amendments for the programs repealed immediately are effective on the date of enactment, and for the programs repealed subsequently are effective on July 1, 1998.

The House recesses.

*Higher Ed Repeals*

**HOLD**

451. The House bill, but not the Senate amendment, repeals the following programs:

- (1) Articulation Agreements
- (2) Access & Equity to Education for all Americans through Telecommunications
- (3) Academic Libraries and Information Services

- (4) National Early Intervention Scholarships
- (5) Presidential Access Scholarships
- (6) Model Program Community Partnership & Counseling Grants
- (7) Early Awareness Information Program
- (8) Technical Assistance for Teachers & Counselors
- (9) Special Child Care Services for Disadvantaged College Students
- (10) Loan Forgiveness for Teachers, Individuals Performing Community Service and Nurses
- (11) Training in Financial Aid Services
- (12) State Postsecondary Review Program
- (13) State & Local Programs for Teacher Excellence
- (14) National Teacher Academies
- (15) Paul Douglas Teacher Scholarships
- (16) Teacher Corps
- (17) Class Size Demonstration Grant
- (18) Middle School Teaching Demonstration Programs
- (19) New Teaching Careers
- (20) National Mini Corps Programs
- (21) Demonstration Grants for Critical Language/Area Studies
- (22) Development of Foreign Language & Culture Instructions Materials
- (23) Small State Teaching Initiative

- (24) Faculty Development Grants
- (25) Early Childhood Staff Training & Professional Enhancement
- (26) Intensive Summer Language Institutes
- (27) Periodicals and Other Research Materials Published Outside the United States
- (28) Improvement of Academic & Library Facilities
- (29) Cooperative Education
- (30) Grants to Institutions and Consortia to Encourage Women & Minority Participation in Graduate Education
- (31) Harris Fellowships
- (32) Javits Fellowships
- (33) Faculty Development Fellowship Program
- (34) Assistance for Training in the Legal Profession
- (35) Law School Clinical Experience
- (36) FIPSE - Special Projects in Areas of National Need
- (37) Science & Engineering Access
- (38) Women & Minorities Science & Engineering Outreach Demonstration Programs
- (39) Eisenhower Leadership Program
- (40) Community Service Programs
- (1) National Academy of Science Study
- (2) Native Hawaiian and Alaska Native Culture and Arts Development
- (1) American Indian Postsecondary Economic Development

## Scholarship

- (2) American Indian Teacher Training
- (3) National Survey of Factors Associated with Participation
- (4) Study of Environmental Hazards in Institutions of Higher Education
- (5) National Job Bank for Teacher Recruitment
- (6) National Clearinghouse for Postsecondary Education Materials
- (7) School-Based Decision makers
- (8) Grants for Sexual Offenses Education
- (9) Olympic Scholarships
- (10) Advanced Placement Fee Payment Program

452. The House bill, but not the Senate amendment, deletes all references to State postsecondary review entities.

453. The House bill, but not the Senate amendment, amends the Higher Education Act to specify that, for purposes of eligibility under Section 481(b)(6) [the 85/15 Rule], a proprietary institution may use its independent auditor rather than a certified public accountant to review the school's financial data; may use generally accepted accounting practices to determine compliance; and may count revenues earned from providing training on a contractual basis to government, business, or industry as non-Federal revenue.

HOUSE OFFER: The House recedes.

454. The House bill, but not the Senate amendment, prohibits the

Secretary from considering an institution's financial information for an institution's fiscal year which began on or before April 30, 1994. This date coincides with the day after which the Secretary's regulations implementing the 85/15 rule became final.

455. The House bill, but not the Senate amendment, sets an effective date for these changes of July 1, 1994. This date coincides with the start of the 1994-1995 academic year.

#### *Effective Date*

456. The House bill takes effect on July 1, 1997. The Senate amendment (including the workforce development grant and the at-risk youth grant) takes effect on July 1, 1998.

The House recedes with an amendment striking "SEC.161(I)."

#### *Immigration and Nationality Act*

457. The Senate amendment, but not the House bill, amends the Immigration and Nationality Act to prohibit funds authorized under that Act to be used for training activities for refugees.

The Senate recedes.

#### *Rehabilitation Act*

*House removes hold*



458. The House bill, but not the Senate amendment, provides that the Act retains current law and has no legal effect on the Rehabilitation Act of 1973.

OFFER: The House recedes.

459. The Senate amendment, but not the House bill, explains that references in title II, subtitle A, of the Workforce Development Act of 1995, unless otherwise noted, are to the Rehabilitation Act of 1973.

OFFER: The House recedes.

460. The Senate amendment, but not the House bill, amends section 2(a)(4) of the Rehabilitation Act by indicating that increased employment of individuals with disabilities can be achieved through implementation of a statewide workforce development system that provides meaningful and effective participation for such individuals in workforce development activities and through title I of the Rehabilitation Act. The Senate amendment also amends section 2(b)(1)(A) of the Rehabilitation Act by adding that empowering individuals with disabilities can occur through statewide workforce development systems that include comprehensive and coordinated programs of vocational rehabilitation.

OFFER: The House recedes with an amendment striking "and (2) in subsection (b)(1)(A), by inserting "statewide workforce development systems that include, as integral components," after "(A)"; and inserting "(2) in subsection (b)(1)(A), by striking 'and coordinated' and inserting prior to the semicolon, 'that coordinated with statewide workforce development systems.'"

461. The Senate amendment, but not the House bill, repeals section 6 of the Rehabilitation Act that allows consolidated plans from State vocational rehabilitation agencies and State developmental disabilities councils.

OFFER: The Senate recesses.

462. The Senate amendment, but not the House bill, amends section 7 of the Rehabilitation Act by conforming definitions with the Work Force Development Act.

OFFER: The House recesses with conforming amendments.

463. The Senate amendment, but not the House bill, amends section 12(a)(1) of the Rehabilitation Act by giving the Commissioner of the Rehabilitation Services Administration the authority to provide consultative services and technical assistance to public and nonprofit private agencies to achieve the meaningful participation of individuals with disabilities in the statewide workforce development system.

OFFER: The House recesses with conforming amendments.

464. The Senate amendment, but not the House bill, amends section 13 of the Rehabilitation Act by conforming data collection with the Workforce Development Act of 1995.

OFFER: The House recesses.

465. The Senate amendment, but not the House bill, amends section 14(a) of the Rehabilitation Act by conforming evaluation requirements with the Workforce Development Act of 1995. The Senate amendment also States that the Secretary may modify or supplement such benchmarks, under certain conditions, to address



unique conditions associated with reporting on individuals with disabilities.

OFFER: The House recedes with conforming amendments.

466. The Senate amendment, but not the House bill, amends section 100(a)(1)(F) of the Rehabilitation Act by adding to the finding the term "workforce development activities" and "workforce education activities."

OFFER: The House recedes.

467. The Senate amendment, but not the House bill, adds a new (G) to section 100(a)(1) of the Rehabilitation Act, a finding which states that linkages between vocational rehabilitation program and other components of the workforce development system are critical to the effective and meaningful participation of individuals with disabilities in workforce development activities.

OFFER: The House recedes with conforming amendments.

468. The Senate amendment, but not the House bill, amends section 100(a)(2) of the Rehabilitation Act, which expresses the purpose of title I, adding specifications that a program of vocational rehabilitation is an integral component of a statewide workforce development system.

OFFER: The House recedes with an amendment striking "an integral component of" and inserting "coordinated with" and conforming amendments.

469. The Senate amendment, but not the House bill, amends section 101(a) of the Rehabilitation Act, conforming the schedule for submitting the State plan under title I of the Rehabilitation Act to coincide with the schedule for submission of the workforce plan, and requires that the State plan required under title I of the Rehabilitation Act be submitted to any State workforce development board for review and comment, and submission of such

comments to the appropriate designated State unit which administers the vocational rehabilitation program.

OFFER: The House recedes with an amendment striking paragraph "(3)" and inserting "(3) by striking paragraphs (10)(A), (15)A-B, (27), (28) and (30)"; striking paragraphs "(6)" and "(7)"; and conforming amendments.

470. The Senate amendment, but not the House bill, adds a new paragraph (3) with regard to improving and expanding vocational rehabilitation services for individuals with disabilities.

OFFER: The Senate recedes.

471. The Senate amendment, but not the House bill, adds in paragraph (6) (so redesignated), that the State plan shall include the results of a comprehensive, statewide needs assessment.

OFFER: The House recedes with an amendment inserting in paragraph (A)(9)(iii)(II)"(II) a description of the needs of and utilization of the programs, including the community rehabilitation programs funded under the Act entitled "An Act to Create a Committee on Purchases of Blind-made Products, and for other purposes", approved June 25, 1938 (commonly know as the Wagner-O'Day Act; 41 U.S.C. 46 et seq.) and such programs funded by State use contracting programs; and"; striking paragraphs (9)(A)(iv)(II) and (9)(A)(iv)(III); and in paragraph (9)(D)(iii) strike "will and insert "may".

472. The Senate amendment, but not the House bill, amends subparagraph (A) of paragraph (8) as redesignated, by consolidating provisions pertaining to personnel development.

OFFER: The House recedes with an amendment striking paragraphs (B)(iii) and (B)(iv).

473. The Senate amendment, but not the House bill, deletes in section 101(a) of the Rehabilitation Act, in paragraph (9) as redesignated, reference to individuals at extreme medical risk.

OFFER: The Senate recesses.

474. The Senate amendment, but not the House bill, makes technical changes to section 101(a) of the Rehabilitation Act, in paragraph (10) as redesignated, substituting the term "individualized employment plan" for the term "individualized written rehabilitation program."

OFFER: The House recesses.

475. The Senate amendment, but not the House bill, amends paragraph (11) as redesignated, allowing for entering into cooperative agreements with entities that are and are not part of the workforce development system.

OFFER: The House recesses with conforming amendments.

476. The Senate amendment, but not the House bill, adds in paragraph (14) as redesignated, the requirement for timely notice of public hearings, collecting comments, and disseminating information about how comments affect the delivery of services.

OFFER: The Senate recesses.

477. The Senate amendment, but not the House bill, amends paragraph (16) as redesignated, establishing the obligation to make referrals within the workforce development system.

OFFER: The House recesses. (Bobby is going to check)

478. The Senate amendment, but not the House bill, amends paragraph (17) as redesignated, by transferring the current law provisions of Sec.101(a)(30) of the Rehabilitation Act which describes how the needs of individuals who are not in special education can access and receive vocational rehabilitation services.

OFFER: The House recedes.

479. The Senate amendment, but not the House bill, amends section 102 of the Rehabilitation Act by substituting the term "individualized employment plan" for the term "individualized written rehabilitation program," wherever it appears.

OFFER: The House recedes.

480. The Senate amendment, but not the House bill, amends section 103 of the Rehabilitation Act by removing the authority to use title I funds of the Rehabilitation Act for surgery or construction.

OFFER: The Senate recedes.

481. The Senate amendment, but not the House bill, amends section 105 of the Rehabilitation Act by encouraging links between members of the Council and any boards established under the Workforce Development Act of 1995.

OFFER: The House recedes with conforming amendments.

482. The Senate amendment, but not the House bill, amends section 106(a)(1) of the Rehabilitation Act to require that standards and indicators, to the maximum extent appropriate, will be consistent with benchmarks established under the Workforce Development Act of 1995. The Senate amendment also provides that the Secretary may modify or supplement such benchmarks, under

certain conditions, to address unique conditions associated with reporting on individuals with disabilities.

OFFER: The House recedes with an amendment striking paragraph "(1)" and with conforming amendments and current law.

(Todd will provide current law language.)

483. The Senate amendment, but not the House bill, amends Title I by repealing part C, Innovation and Expansion Grants, and redesignating parts D, American Indian Vocational Rehabilitation Services, and E, Vocational Rehabilitation Services Client Information, as parts C and D.

OFFER: The Senate recedes.

484. The Senate amendment, but not the House bill, makes conforming amendments to the Rehabilitation Act of 1973.

OFFER: The Senate recedes.

485. The Senate amendment, but not the House bill, provides that amendments to the Rehabilitation Act take effect upon enactment, except that statewide system requirements, specifically provisions that relate to State benchmarks or other components of a statewide system, shall take effect in a State that submits and obtains approval of an interim plan under section 173 for program year 1997 on July 1, 1997; and in any other State, on July 1, 1998.

OFFER: The House recedes with an amendment -- have to conform with the rest of the Act.

*Higher Education Privatization*

**HOLD ON NOTES 486-529**

486. The House bill, but not the Senate amendment, requires Sallie Mae's current Board of Directors to develop a reorganization plan for the restructuring of the Association's ownership. Current shares in Sallie Mae would be converted into shares in a newly formed Holding Company chartered in a State or the District of Columbia.

487. The House bill, but not the Senate amendment, requires that the reorganization plan be approved by the holders of a majority of Sallie Mae's outstanding stock. As defined, the "reorganization effective date" means the date determined by the Association Board of Directors pending stockholder approval, but no later than 18 months after the enactment of this section.

488. The House bill, but not the Senate amendment, clarifies that, except as specifically modified by the provisions of section 440, the provisions of section 439 of the Higher Education Act continue to apply in full force and effect to the Association during its wind-down period following the reorganization of its ownership. The Holding Company and its other subsidiaries shall not be entitled or subject to any of the rights, privileges, obligations or limitations applicable to the Association under section 439, except as specifically provided in section 440. This section clarifies that the Holding Company and its non-GSE subsidiaries shall not purchase federally-insured student loans until the Association ceases to purchase such loans, except for the Association's purchase of such loans as a lender-of-last-resort or under agreement with the Secretary of Education pursuant to section 440(c)(6).

489. The House bill, but not the Senate amendment, specifies that, as soon as practicable after the reorganization, the Association would be required to use its best efforts to transfer

to the Holding Company or its non-GSE subsidiaries all real and personal property, including intangibles held by the Association, except for property defined as "remaining property." Remaining property would include the financial, program-related assets and obligations of the Association, such as debt obligations, student loans, portfolio investments, letters of credit, outstanding swap agreements and forward purchase commitments. Such property could be transferred out of the GSE subsequently, so long as the GSE continued to maintain adequate capital to meet the requirements of section 439(r), as amended.

490. The House bill, but not the Senate amendment, specifies that at the time of the reorganization, the employees of the Association will become employees of the Holding Company or the other subsidiaries. This provision requires the Holding Company and the subsidiaries to provide management and operational support for the Association during the wind-down as requested by the Association. The Association is also specifically empowered to obtain management and operational support from persons other than the Holding Company and the subsidiaries.

491. The House bill, but not the Senate amendment, clarifies that the Association may pay dividends in the form of cash or noncash distributions to the Holding Company, just as it may pay dividends to shareholders under current law. The payment of dividends would continue to be subject to the requirements of section 439(r).

492. The House bill, but not the Senate amendment, provides that for purposes of calculating compliance with the Association's capital requirements, any distribution of noncash assets by the Association to the Holding Company is to be valued at net book value as of the date the distribution was approved by the Association's Board of Directors.

493. The House bill, but not the Senate amendment, limits the Association's ability to engage in new business activities or acquire new assets following the reorganization. Activities may

be undertaken in connection with student loan purchases through September 30, 2005; in connection with contractual commitments for future warehousing advances, where such commitments are outstanding as of the date of the reorganization; or pursuant to a letter of credit or standby bond purchase agreement that is outstanding as of such date. Activities may also be undertaken in connection with the GSE's role as lender of last resort pursuant to section 439. Finally, activities may be undertaken pursuant to agreements entered into with the Secretary of Education if the Secretary requests the Association to continue or resume its secondary market purchase program. The Secretary may make such a request only after determining that there is inadequate liquidity for loans made under Part B of Title IV of the Higher Education Act. Any such agreement shall cover a period of 12 months, but may be renewed if the Secretary determines that liquidity remains inadequate. The provision provides that the offset fee provided under section 439(h)(7) shall not apply to loans acquired pursuant to any such agreement.

494. The House bill, but not the Senate amendment, prohibits the Association from issuing new debt obligations that mature later than September 30, 2009, except in connection with fulfilling the Association's lender of last resort role or with purchasing loans under an agreement with the Secretary of Education described in the previous paragraph.

495. The House bill, but not the Senate amendment, establishes new requirements to the safety and soundness requirements currently applicable to the Association under the Higher Education Act. The GSE is required to obtain such information and keep such records as the Secretary of the Treasury may prescribe concerning any material financial risk to the Association which could reasonably result from the activities of the Holding Company or its non-GSE subsidiaries. The GSE must also keep records relating to the policies, procedures and systems used by the GSE to monitor and control such risk. The summary reports may be required by the Secretary of the Treasury, but no more frequently than quarterly.



496. The House bill, but not the Senate amendment, imposes requirements to ensure that a substantial degree of separation is maintained between the Association and its affiliates, including (I) the assets of the Association shall be maintained separately from those of the Holding Company and its other subsidiaries and may be used only in connection with the Association's purposes and obligations; (ii) the Association's books and records shall clearly reflect the assets and liabilities of the Association, separate from the assets and liabilities of the Holding Company and its other subsidiaries; (iii) the Association's corporate office shall be physically separate from all offices of the Holding Company and its other subsidiaries; (iv) no director of the Association who is appointed by the President may serve as a director of the Holding Company; (v) at least one of the Association's officers shall be an officer solely of the Association; (vi) transactions between the Association and the Holding Company and its subsidiaries shall be on terms no less favorable than the Association would receive from a third party; (vii) the Association shall not extend credit to the Holding Company or its subsidiaries or guarantee or provide credit enhancement for any debt of the Holding Company or the subsidiaries; (viii) any amounts collected on behalf of the Association by the Holding Company or its other subsidiaries with respect to the assets of the Association are required to be immediately deposited to an account controlled solely by the Association. No restrictions shall apply to directors of the Association not appointed by the President.

497. The House bill, but not the Senate amendment, provides that under no circumstances shall the assets of the Association be available to pay claims or debts incurred by the Holding Company. The above requirement shall not limit the right of the Association to pay dividends that are otherwise permissible and shall not limit any liability of the Holding Company that is explicitly provided for in Part B.

498. The House bill, but not the Senate amendment, limits the Holding Company's activities to the ownership of the Association and its other subsidiaries during the wind-down period, and all

business activities shall be conducted at the subsidiary level.

499. The House bill, but not the Senate amendment, gives the Holding Company, as sole shareholder of Sallie Mae, the authority to choose the shareholder-elected members of the Association's Board of Directors. The directors will not be required to meet current eligibility standards.

500. The House bill, but not the Senate amendment, requires the Holding Company to issue to the Secretary of the Treasury 200,000 stock warrants, each warrant entitling the holder to purchase a share of stock of the Holding Company at any time on or before September 30, 2009.

501. The House bill, but not the Senate amendment, provides that after the reorganization, the Holding Company shall not sell, pledge, or otherwise transfer any outstanding shares of the Association, or cause the Association to liquidate or file bankruptcy, without the approval of the Secretary of the Treasury and the Secretary of Education.

502. The House bill, but not the Senate amendment, limits the period for winding down the GSE activities of the Association to September 30, 2009. The Association may determine to cease its activities and dissolve prior to September 30, 2009, unless the Secretary of Education determines that the Association continues to be needed as a lender of last resort or continues to be needed to purchase loans in furtherance of an agreement under section 440(a)(6).

503. The House bill, but not the Senate amendment, requires at

the end of the period all of the Association's outstanding debt obligations to be transferred to a trust that will satisfy all payment obligations on the remaining debt issues which will retain the attributes accorded them by the Association's statutory charter. The Association must deposit certain qualifying assets into the trust. The assets are to be transferred irrevocably, solely for the benefit of the holders of the Association's debt obligations, and in such amount as is determined by the Secretary of the Treasury to be sufficient to pay the principal and interest on the outstanding debt obligations according to their terms. To the extent that the Association cannot provide qualifying assets in the amount required, the Holding Company shall be required to transfer such assets in an amount necessary to prevent any deficiency.

504. The House bill, but not the Senate amendment, requires the trust to transfer any remaining assets to either the Holding Company or its subsidiaries as directed by the Holding Company.

505. The House bill, but not the Senate amendment, requires that after funding the trust and prior to dissolution, the Association must take whatever actions are necessary to discharge all other obligations of the Association, including the repurchase or redemption of the Association's preferred stock. Any such obligations that cannot be fully satisfied shall become liabilities of the Holding Company as of the date of dissolution.

506. The House bill, but not the Senate amendment, requires that to the extent that any assets remain in the Association

following the foregoing procedures, such assets shall be transferred to the Holding Company.

507. The House bill, but not the Senate amendment, specifies that the number and composition of the Board of Directors of the Holding Company shall be as set forth in the Holding Company's charter or bylaws and as permissible under the laws of the jurisdiction of its incorporation.

508. The House bill, but not the Senate amendment, specifically prohibits the use of the name "Student Loan Marketing Association" and allows the use of "Sallie Mae" to the extent permitted by the applicable State or DC law.

509. The House bill, but not the Senate amendment, specifically permits the Association to assign to the Holding Company or any of its other subsidiaries the name "Sallie Mae," to be used as a trademark or service mark. The bill includes a fee of \$5 million in 1996 for the right to assign the name.

510. The House bill, but not the Senate amendment, requires certain disclosures to be made during the period commencing after the reorganization and ending three years after the dissolution of the Association.

511. The House bill, but not the Senate amendment, makes clear that, except as explicitly provided, the section is not intended to limit the authority of the Association to act as a federally

chartered GSE or the authority of the Holding Company to take any actions that are lawful for a State-chartered corporation.

512. The House bill, but not the Senate amendment, grants authority to the Attorney General, upon request of the Secretary of Education or the Secretary of the Treasury, to enforce the provisions of new Section 440, by action brought in the United States District Court for the District of Columbia.

513. The House bill, but not the Senate amendment, sets a deadline of 18 months after the effective date of the section for the occurrence of the reorganization pursuant to which Sallie Mae's outstanding common stock will be converted to common stock of the Holding Company. If the reorganization has not taken place by 18 months after the effective date of section 440, this subsection provides that the section shall be of no further force and effect.

514. The House bill, but not the Senate amendment, sets forth the defined terms used throughout section 440.

515. The House bill, but not the Senate amendment, sets forth technical amendments to the Higher Education Act.

516. The House bill, but not the Senate amendment, permits the Holding Company and any of its subsidiaries to be eligible lenders under the Higher Education Act for secondary market purposes.

517. The House bill, but not the Senate amendment, supplements existing safety and soundness requirements applicable to the Association by amending Section 439(r) of the Higher Education Act to authorize the Attorney General, upon request of the Secretary of Education or the Secretary of the Treasury to enforce such requirements in an action before the United States District Court for the District of Columbia.

518. The House bill, but not the Senate amendment, amends the safety and soundness requirements set forth in Section 439(r). The subsection supplements the reports provided by the Association in support of its safety and soundness requirements by requiring the Association to provide to the Secretary of the Treasury, within 45 days of the end of each calendar quarter, financial statements and quarterly reports setting forth the calculation of the Association's capital ratio. The subsection also amends the safety and soundness provisions relating to the Association's capital ratio by providing new capital requirements applicable to the Association after January 1, 2000, if the Association's shareholders have approved the reorganization. At such time, the Association will be required to maintain a capital ratio of 2.25 percent for any quarter. If the Association fails to maintain such ratio, the Secretary of the Treasury may take certain specified actions to limit increases in the Association's liabilities, restrict growth in the Association's assets (other than student loan purchases and warehousing advances), restrict capital distributions by the Association, require that the Association issue new capital sufficient to restore the capital ratio to the required 2.25 percent, and limit certain increases in the executive compensation paid by the Association. However, if the Association's capital ratio for any quarter falls below 2.25 percent, but is equal to or in excess of 2 percent, the Secretary must defer taking such actions until the next quarter and then may proceed with such actions only if the capital ratio remains below 2.25 percent. Further, the Association is deemed

to be in compliance with its capital ratio requirements if it is rated by two nationally recognized statistical rating organizations, without regard to its status as a federally chartered corporation, in one of the two highest full rating categories.' .

519. The House bill, but not the Senate amendment, provides that upon the dissolution of the Association and the creation of the trust pursuant to new section 440(d), both the Association's Federal charter and section 439, shall be repealed.

**Agreement is that if Connie Lee Privatization is included, all the notes will be the Senate recedes with an amendment inserting the language agreed to in the Budget Reconciliation bill. (HAVE TO GET LANGUAGE FROM SALLY)**

520. The House bill, but not the Senate amendment, privatizes the College Construction Loan Insurance Association ("Connie Lee", or "the Corporation").

The Senate recedes with an amendment

521. The House bill, but not the Senate amendment, repeals Federal restrictions on Connie Lee's activities.

The Senate recedes with an amendment

522. The House bill, but not the Senate amendment, restricts stock ownership in the Corporation for government agencies, government corporations, and government sponsored enterprises, including Sallie Mae. Specifically, Sallie Mae may continue to own stock held as of the day of enactment, but may not acquire new stock in the Corporation until such time as Sallie Mae is privatized.

The Senate recedes with an amendment

523. The House bill, but not the Senate amendment, prohibits Sallie Mae from controlling the operations of the Corporation, but allows it to retain its current representation on the board of the Corporation. The House bill further prevents Sallie Mae from providing financial support or guarantees to the Corporation.

The Senate recedes with an amendment

524. The House bill, but not the Senate amendment, requires that, for a five year period following enactment, the Corporation shall disclose that it is not a government sponsored corporation or instrumentality.

The Senate recedes with an amendment

525. The House bill, but not the Senate amendment, prohibits the Corporation from using the name College Construction Loan Insurance Association.

The Senate recedes with an amendment

526. The House bill, but not the Senate amendment, requires certain amendments to the Corporation's Articles of Incorporation.

The Senate recedes with an amendment

527. The House bill, but not the Senate amendment, places certain reporting requirements on the Corporation for a period of two years.

The Senate recedes with an amendment

528. The House bill, but not the Senate amendment, requires the



Secretary of the Treasury to sell the federally held stock in the Corporation within six months of the date of enactment.

The Senate recedes with an amendment

529. The House bill, but not the Senate amendment, requires that, in the event that the Secretary of the Treasury cannot sell the federally held stock to another entity, the Corporation must repurchase the stock at a price not to exceed the value estimated by the Congressional Budget Office.

The Senate recedes with an amendment

#### *Museums and Library Services*

530. The House bill consolidates the Federal library programs under the Library Services and Construction Act, the Elementary and Secondary Education Act, and Title II of the Higher Education Act into one Federal libraries program focused on helping libraries acquire and use new technologies and forging electronic ties among libraries and between libraries and one-stop career centers.

The Senate amendment creates a new Institute of Museums and Library Services, and consolidates into it the functions of the Institute of Museum Services (IMS), along with Federal library programs under the Library Services and Construction Act and Title II of the Higher Education Act. Focuses of the Senate amendment include technology, life-long learning, and information access for those needing special services.

Legislative counsel. (Note describes general differences)

531. The House bill authorizes \$110 million for each of fiscal years 1997, 1998, 1999, 2000, 2001, and 2002 for library technology programs under this act. The House bill further authorizes the forward funding of these programs.

The House and Senate recede with an amendment inserting \$150 million authorization for FY1997 and "such sums" for FY1998-FY2002; inserting new paragraphs (a) (1) (C) and (a) (1) (C) (3)

© Forward funding of Library Programs -- Notwithstanding any other provision of law, funds appropriated in any fiscal year to carry out activities under this subtitle shall be available on July 1 of such fiscal year. The terms of this subparagraph shall only be effective if specifically provided for in the subsequent appropriations to carry out this subtitle.

(3) Additional Authorization -- In addition to amounts authorized to be appropriated under subparagraph () such additional amounts as may be necessary are authorized to be appropriated for the fiscal year prior to the first year in which appropriations are made under the forward funding procedure described in paragraph ().

531a. The Senate amendment authorizes \$75 million for Fiscal Year 1996 and such sums as necessary for fiscal years 1997-2000 for library technology programs.

The Senate recedes.

531b. The Senate amendment, but not the House bill, authorizes \$75 million for Fiscal Year 1996 and such sums as necessary for fiscal years 1997-2000 to provide library services to special populations.

The Senate recedes.

531bb. New Note -- The Senate amendment, but not the House bill, allows for the transfer of funds between the Secretary of Education and the Director of Museum Services.

The House recedes.

531c. The Senate amendment, but not the House bill, provides that no less than 5% nor more than 7% of library funds be used for joint projects with museums.

The Senate recesses.

531d. The Senate amendment, but not the House bill, allows not more than 10% of funds appropriated for library services under this Act to be spent for Federal administration.

The House recesses with an amendment changing administrative funds to 3%.

531e. The Senate amendment, but not the House bill, authorizes \$28,700,000 for FY1996, and such sums as necessary for Fiscal Years 1997-2000 for museum services under this Act.

The House recesses with an amendment inserting FY1997 and continue from FY1998-2002.

531f. The Senate amendment, but not the House bill, allows not more than 10% of funds appropriated for museum services to be used for administrative expenses.

The House recesses.

531g. The Senate amendment, but not the House bill, provides that not less than 5% nor more than 7% of appropriated museum funding be used for joint projects with libraries.

The Senate recesses.

531h. The Senate amendment, but not the House bill, mandates that funds made available for museum services under this Act shall remain available until expended.

The House recedes.

531i. The Senate amendment, but not the House bill, authorizes such sums as necessary for the Arts and Artifacts Indemnity Act.

**HOLD** -- Member's issue - Sen. Jeffords

532. The Senate amendment, but not the House bill, amends the Museum Services Act.

The House recedes.

533. The Senate amendment, but not the House bill, includes certain definitions.

The House recedes with an amendment inserting

(1) "Commission" - The term "Commission" means the National Commission on Libraries and Museums established under section \_\_\_\_;

(2) "Director" - keep Senate definition;

(3) "Deputy Director" - The term "Deputy Director" means the Deputy Director of the Institute appointed under section \_\_\_\_;

(4) "Museum Board" - ~~strike definition~~ *Sen. Langford Jr.*

534. The Senate amendment, but not the House bill, establishes an Institute of Museum and Library Services.

*Wrong  
Refer to  
Senate  
Language*



The House recedes.

535. The Senate amendment, but not the House bill, provides for the appointment of a Director of the Institute of Museum and Library Services by the President with the advise and consent of the Senate. The Senate amendment further provides that the Director will serve for a term of 4 years, and that the appointment will alternate between individuals with expertise in library and museum services.

The House recedes.

536. The Senate amendment, but not the House bill, provides for the appointment by the Director of Deputy Directors for the offices of Library Services and Museum Services.

The House recedes with an amendment striking paragraph "(b) COMPENSATION."

537. The Senate amendment, but not the House bill, provides for the staffing of the Institute by the Director.

The House recedes.

538. The Senate amendment, but not the House bill, provides the Director with the authority to accept or solicit gifts and bequests on behalf of the Institute.

The House recedes.

539. The Senate amendment, but not the House bill, sets forth purposes for funding of museum services under this subtitle.

The House recedes.

540. The Senate amendment, but not the House bill, sets forth definitions for this subtitle.

The House recedes with an amendment inserting a definition of "STATE" --

"STATE" - The term "State" includes, in addition to the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Northern Mariana Islands, the Virgin Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau."

541. The Senate amendment, but not the House bill, empowers the Director of the Institute to award grants for Museum improvements, and outlines purposes for which the grants may be used.

The House recedes with an amendment inserting "(7) model programs demonstrating cooperative efforts between libraries and museums".

541a. The Senate amendment, but not the House bill, allows the Director to enter into contract or cooperative agreements for the improvement of museums.

The House recedes.

541b. The Senate amendment, but not the House bill, limits the Federal share of activities funded under this section.

The House recedes.

541c. The Senate amendment, but not the House bill, requires the Director to develop procedures for reviewing assistance made under this Section.

The House recesses.

542. The Senate amendment, but not the House bill, provides for an assessment of collaborative efforts that museums can engage in to serve the public more effectively, applicable only in years when appropriations for museum services exceed \$28.7 million.

The Senate recesses.

543. The Senate amendment, but not the House bill, allows the Director to annually award a national award for museum services to outstanding museums for significant contributions in service to the community.

The House recesses.

544. The Senate amendment, but not the House bill, establishes a National Museum Services Board appointed by the President with advice and consent of the Senate.

The House recesses.

544a. The Senate amendment, but not the House bill, sets forth qualifications for appointment to the Board.

The House recesses.

544b. The Senate amendment, but not the House bill, provides for 5 year staggered terms for members of the board.

The House recesses.

544c. The Senate amendment, but not the House bill, sets forth the powers and duties of the board. The Senate amendment further outlines the structure and general operating rules of the Board.

The House recesses.

545. The Senate amendment, but not the House bill, amends the National Commission on Libraries and Information Science Act to provide the commission with the responsibility of advising the Director of the Institute of Museum and Library Services on matters relating to library services. The Senate amendment further outlines procedures for advising the Director and modifies membership and membership criteria for the commission.

The House recesses.

546. The Senate amendment, but not the House bill, provides for the orderly transition of functions from the Institute of Museum Services (IMS) to the Institute of Museum and Library Services.

The House recesses with an amendment changing title of paragraph "(b) TRANSFER OF FUNCTIONS" to "(1) TRANSFER OF FUNCTIONS FROM INSTITUTE OF MUSEUM SERVICES AND THE LIBRARY PROGRAM OFFICE"; inserting new paragraph "(2) All functions that the Director of Library Programs of the Department of Education Office of Educational Research and Improvement exercised before the date of enactment of this section and any related function of any officer or employee of the Department of Education."; and inserting at the end of the last sentence in paragraph "(d)" "provided that delegation of program authority shall be made only consistent with the purposes of section\_\_\_\_."

**HOLD -- Notes 547-547g (Sen. Jefford's issue)**

547. The Senate amendment, but not the House bill, provides an authorization for the Arts and Artifacts Indemnity Act.

**HOLD**



547a. The Senate amendment, but not the House bill, transfers authority for indemnity agreements to the Director of the IMLS from the Federal Council on the Arts and the Humanities.

**HOLD**

547b. The Senate amendment, but not the House bill, retains the definition of eligible items from current law.

**HOLD**

547c. The Senate amendment, but not the House bill, expands coverage under the Act to domestic exhibits on display within the U.S.

**HOLD**

547d. The Senate amendment, but not the House bill, retains the applications procedure from current law.

**HOLD**

547e. The Senate amendment, but not the House bill, retains the terms under which indemnity agreements are made from current law.

**HOLD**

547f. The Senate amendment, but not the House bill, makes conforming amendments to current law with respect to the authority of the Director to issue regulations and certify claims.

HOLD

547g. The Senate amendment, but not the House bill, retains reporting requirements from current law.

HOLD

548. The Senate amendment, but not the House bill, provides for a short title.

The House recedes.

549. Both the House bill and the Senate amendment provide for purposes.

The House and Senate recede with an amendment inserting

"Sec. \_\_ PURPOSE.

(a) STATEMENT OF PURPOSE - The purposes of this subtitle are as follows:

(1) to consolidate federal library service programs;

(2) to stimulate excellence and promote access to learning and information resources in all types of libraries for individuals of all ages;

(3) to promote library services that provide all users access to information through regional, State, national and international electronic networks;

(4) to provide linkages among and between libraries and [one-stops/integrated career centers]; and

(5) to promote targeted library services to people of diverse geographic, cultural, and socioeconomic backgrounds, to individuals with disabilities, and to people with limited functional literacy or information skills.

549a. The purposes of the House bill are limited to the consolidation of library programs, providing access through new technology and providing electronic linkages among libraries and between libraries and integrated career center systems. The House bill contains no recognition of need.

The House recesses.

549b. The purposes of the Senate amendment include an emphasis on life-long access to learning and library information resources as well as preparing libraries for service in the 21st Century in the areas of access to electronic networks, workforce and economic development, and adequate provision of resources and services to special populations.

The Senate recesses.

550. Both the House bill and the Senate amendment provide definitions relative to library services. However, definitions in the House bill are in title I of the House bill.

The Senate recesses with an amendment inserting

(1) "INDIAN TRIBE" - move definition to title I (this definition would be determined w/the larger issue of Indians - House staff will work on the definitions)

550a. The Senate amendment includes definitions of "library

consortia," "library entity," and "public library." The House bill includes a definition of "library" in the general definitions section. (See Note 50.)

The House and Senate recede with an amendment inserting

(2) "LIBRARY CONSORTIA" - keep Senate definition

(3) "LIBRARY ENTITY" - strike

(4) "LIBRARY" - The term "library" includes --

(A) public library;

(B) a public elementary or secondary school library;

© an academic library;

(D) a research library, which, for the purposes of this section, means a library which makes library services and materials suitable for scholarly research and not otherwise available to the public, publicly available, and is not an integral part of an institution of higher learning; and

(E) a private library, but only if the State in which such private library is located determines that the library should be considered a library for purposes of this Act."

(Report language on this definition from David & Pamela)

(5) "STATE" - keep Senate definition

(6) "STATE ADVISORY COUNCIL" - strike

550b. Both the House bill and the Senate amendment include a definition of "State library administrative agency." (See Note 80.)

The Senate recedes with an amendment striking (7) "STATE LIBRARY ADMINISTRATIVE AGENCY".

551. The Senate amendment, but not the House bill, reserves 11/2% of funds appropriated for serving Indian Tribes. In the House bill, Indian Tribes may use funds allotted under section 325 for library services.

The House recedes.

551a. The Senate amendment, but not the House bill, reserves 8% of allotted funds for a national leadership program in library services.

The House recedes with an amendment changing reserve to 4%; changing "national leadership program" to "national leadership grants"; inserting "If the funds have not been obligated by the end of the fiscal year, funds are to be re-allotted to the States under the prescribed formula and may be carried over by the State for use in the next fiscal year." [Need to review language w/ Leg. Counsel]

552. Both the House bill and the Senate amendment provide for minimum State allotments. However, the House bill does not provide funding for the Freely Associated States.

The House recedes with an amendment inserting

"SPECIAL RULE. Of the allotments reserved for the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau, the Director shall make a grant to the Pacific Region Educational Laboratory in Honolulu, Hawaii, to make grants consistent with the provisions of this Act in Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau. The eligibility of the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau for assistance under this Act shall terminate as of September 30, 2001.

LIMITATION. The Pacific Region Educational Laboratory may use not more than 5 percent of the funds received pursuant to the Special

Rule for administrative costs."

552aa - [New note regarding allotments -- \$200,000 vs \$400,000]

HOLD - Members issue per Sen. Jeffords

HOUSE OFFER PENDING: \$300,000 State minimum and 50% Federal share  
(See Note 555a)

552a. Both the House bill and the Senate amendment provide for the ratable reduction of funds should appropriations be insufficient.

Legislative counsel.

552b. Both the House bill and the Senate amendment allot remaining funds based on State populations.

Legislative counsel.

553. The House bill, but not the Senate amendment, requires the Secretary to make grants to States that will meet minimum requirements such as submitting an approved application, providing 100% of the amount of the grant to the State library administrative agency, and requiring that agency to use the allocated funds to carry out activities described in the application. The House bill further provides that such grant will be the lesser of the sum of the initial allotment and the additional allotment or 75% of the total cost of the activities described in the application.

The House recedes.

554. Both the House bill and the Senate amendment limit administrative funding at the State level. The Senate amendment limits this amount to not more than 5%. The House bill limits

State administrative funding to 3% elsewhere in this Subtitle.

The Senate recedes with an amendment inserting 4% for administrative State funding.

555. The Senate amendment establishes the Federal share for programs under this subtitle and sets forth maintenance of effort provisions. The House bill establishes the Federal share for programs under this subtitle, but does not require maintenance of effort.

Legislative counsel.

555a. The Senate amendment sets the Federal share for State projects at 50% with higher Federal shares for the Trust Territories, and defines non-Federal share. The House bill sets the Federal share for State projects at 75%, and makes no distinction for the Trust Territories.

The House recedes with an amendment inserting "(1) IN GENERAL. -- The Federal share shall be 66 percent." and striking paragraph "(3)".

555b. The Senate amendment, but not the House bill, reduces a State's allocation if the State fails to maintain its funding level for library services. The reduction in Federal allocation is in proportion to the reduction in State effort.

The House Recedes with amendment: insert at the end of line 3, "except that a reduction of federal share shall reduce the state maintenance of effort by the same percentage."

555c. The Senate amendment, but not the House bill, provides a waiver for reductions in a State's allocation under this subsection if the reduction in State efforts is due to certain uncontrollable circumstances.

The House Recedes

556. The House bill requires that each State seeking a grant under this subtitle submit an annual application establishing goals and priorities consistent with the purposes of this subtitle describing activities and procedures to reach these goals, describing methodologies for evaluation, describing procedures to involve libraries and their areas in policy decisions to implement this subtitle, and assuring that reporting practices required by the Secretary will be implemented. The Senate amendment requires States to provide similar information as part of the State plan, which covers a period of 5 years.

The Senate recedes with an amendment inserting

SEC. \_\_\_\_ STATE PLAN.

(a) STATE PLAN REQUIRED. -

(1) IN GENERAL. - In order to be eligible to receive a grant under this subtitle, a State library administrative agency shall submit a State plan to the Director not later than April 1, 1997..

(2) DURATION. - The State plan shall cover a period of 5 fiscal years.

(3) REVISIONS. - If a State library administrative agency makes a substantive revision to its State plan, then the State library administrative agency shall submit to the Director an amendment to the State plan containing such revision not later than April 1 of the fiscal year preceding the fiscal year for which the amendment will be effective.

(b) CONTENTS. - The State plan shall --



(1) establish goals, and specify priorities, for the State consistent with the purposes of this subtitle;

(2) describe activities that are consistent with such goals and priorities, the purposes of this subtitle, and the requirements of section \_\_\_\_ that the State library administrative agency will carry out during such year using such grant;

(3) describe the procedures that such agency will use to carry out such activities;

(4) describe the methodology that such agency will use to evaluate the success of such activities in achieving such goals and meeting such priorities;

(5) describe procedures that such agency will use to involve libraries and library users throughout the State in policy decisions regarding implementation of this subtitle; and

(6) provide assurances satisfactory to the Director that such agency will make such reports, in such form and containing such information, as the Director may reasonably require to carry out this subtitle and to determine the extent to which funds provided under this subtitle have been effective in carrying out its purposes.

© EVALUATION. - Each State receiving a grant under this subtitle shall independently evaluate and report prior to the end of the 5 year plan, the activities assisted under this title.

(d) INFORMATION. - Each public library receiving assistance under section (c?) shall submit to the State library administrative agency such information as such agency may require to meet the requirements of paragraph\_\_\_\_.

(e) INTERIM APPLICATION. -- Notwithstanding other provisions of law, a State library administrative agency that desires to receive a grant under the Library Services and Construction Act for the fiscal year beginning October 1, 1996 shall submit an interim application. This application should describe the initiatives to be undertaken by the State library administrative agency in order to assure a smooth transition to the activities to be carried out under this subtitle. The interim application

must also any revisions from the annual application submitted for the fiscal year beginning October 1, 1995.

556a. The House bill requires the Secretary to approve each application which meets the requirements outlined in Note 556. The House bill further provides States with an opportunity to revise their applications, should they fail to be approved. The Senate amendment requires the Director to approve a State plan if it meets the purposes of this subtitle. The Senate amendment further provides that if a State plan is not approved, the State will have an opportunity to revise its plan, that the Director will provide the State with technical assistance and that the State library administrative agency will have the opportunity for a hearing.

The House recedes.

557. The House bill, but not the Senate amendment, requires that State library administrative agencies use at least 97% of funds provided under this subtitle for electronically connecting libraries to integrated career center systems, establishing or enhancing linkages among libraries, assisting libraries to access information through electronic networks, encouraging the formation of library consortia, helping libraries acquire and share new technologies, and improving library services for individuals with special needs. The Senate amendment does require that State library administrative agencies follow their State plan.

The Senate recedes with an amendment inserting

(a) IN GENERAL. - Of the funds provided to a State library administrative agency under section 454(a)(2)(A), the agency shall expend (either directly or through subgrants or cooperative agreements) at least 96 percent in the aggregate for the following two purposes:

(1) to establish or enhance electronic linkages among or between libraries, [career center systems/one-stops] designated or established under section 107, and local service providers

receiving grants under paragraphs (1) or (2) of section 432(a), or any combination thereof; and

(2) to target library and information services to persons having difficulty using a library and under-served urban and rural communities, including children (from birth through age 17) from families living below the income official poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 USC 9902(2))).

Special Rule. With respect to subsections (a(1) and (a(2) above, each State library administrative agency may apportion funds between the two purposes, as appropriate, to meet the needs of the individual State.

[Will need assistance from Leg. Counsel re: section references]

557a. The House bill limits the amount of each States allotment used for administrative expenses by the State library administrative agency to no more than 3%. The Senate amendment limits this amount to 5%. (See Note 554.)

The House recesses.

558. The Senate amendment, but not the House bill, creates a separate program to provide library services for special populations. However, the House bill does make the improvement of library services for special populations an allowable use of funds at the discretion of the State library administrative agency.

The Senate recesses.

559. The Senate amendment, but not the House bill, requires State library administrative agencies to reserve up to 15% of their Federal funds to serve children in poverty. In determining this amount, the State agency shall set aside up to \$1.50 per preschool child from families below the poverty level, and up to \$1.00 per school aged child from families living below the

poverty levels.

The Senate recesses.

559a. Of the amount reserved for children in poverty, the Senate amendment, but not the House bill, requires that each library in the State receive a share equal to its share of such children.

The Senate recesses.

559b. The Senate amendment, but not the House bill, allows for the aggregation of funds set aside to serve children in poverty, should an individual library's grant be too small to be effective. The Senate amendment further prescribes conditions under which such funds can be aggregated.

The Senate recesses.

559c. The Senate amendment, but not the House bill, requires that public libraries seeking grants to serve children in poverty submit a plan for how those children will be served.

The Senate recesses.

560. The Senate amendment, but not the House bill, sets forth specific criteria under which States must evaluate activities undertaken in accordance with the library technology and library services provisions of the Senate amendment.

The Senate recesses with an amendment moving evaluations to State plan. (See Note 556)

561. The Senate amendment, but not the House bill, requires that States receiving assistance under this subtitle establish a State advisory council. The Senate amendment further sets forth guidelines for the composition and duties of these councils.

The House recedes with an amendment inserting

SEC. \_\_\_ STATE ADVISORY COUNCILS. - Each State desiring assistance under this subtitle may establish a State advisory council which is broadly representative of the library entities in the State, including public, school, academic, special, and institutional libraries, and libraries serving individuals with disabilities.

562. The Senate amendment, but not the House bill, provides for grants for library services for Indian Tribes. The Senate amendment further specifies the purposes for which these grants can be used, requirements as to who may administer these funds, and maintenance of effort requirements.

The Senate recedes with an amendment: (have Indians conform w/the purposes of the Act - need assistance w/Leg. Counsel)

562a. The Senate amendment, but not the House bill, prescribes the procedure for applying for grants under this section.

The Senate recedes.

563. The Senate amendment, but not the House bill, establishes a national leadership program for library services, and sets forth activities for which such funds may be used.

The House recedes with an amendment changing to "national leadership grants".

563a. The Senate amendment, but not the House bill, sets forth criteria under which the director may award leadership grants, including that awards be made on a competitive basis.

The House recedes with an amendment inserting

SEC. \_\_\_\_ NATIONAL LEADERSHIP GRANTS. -

(a) IN GENERAL. - From the amounts reserved under section 221(a)(2) for any fiscal year the Director shall establish and carry out a program providing national leadership grants to enhance the quality of library services nationwide and to provide coordination with museums.

(1) keep Senate language

(2) keep Senate language

(3) keep Senate language

(4) model programs demonstrating cooperative efforts between libraries and museums.

(b) GRANTS OR CONTRACTS. -

(1) IN GENERAL. - The Director may carry out the activities described in subsection (a) by awarding grants to, or entering into contracts with, libraries, agencies, institutions of higher education, or museums, where appropriate;

(2) keep Senate language

(c) SPECIAL RULE. - The Director shall make every effort to ensure that activities assisted under this section are administered by appropriate library and museum professionals or experts."

564. The Senate amendment, but not the House bill, specifies that nothing in this subtitle shall be construed to interfere with State or local initiatives.

The House recedes.

565. The House bill repeals the Library Services and Construction Act, Title II of the Higher Education Act, and Part F of the Technology for Education Act.

The Senate recesses.

565a. The Senate amendment repeals the Library Services and Construction Act and Title II of the Higher Education Act, but not Part F of the Technology for Education Act.

The Senate recesses.

565b. Both the House bill and the Senate amendment make technical and conforming amendments to reflect these repeals.

Legislative counsel.

[Note to Leg. Counsel to include transition language under the section entitled "Repeals and Technical and Conforming Amendments", such language could state -

"Sec. \_\_\_\_ .TRANSITION. -- The Office of Management and Budget shall take appropriate measures to ensure an orderly transition from the activities previously administered by the Department of Education, Library Program to the activities administered by the Institute for Museum and Library Services under this title. Such measurements may include the transfer of appropriated funds.

Sec. \_\_\_\_ .AMENDMENTS RELATING TO CERTAIN AUTHORIZATION OF APPROPRIATIONS. -- The Secretary shall expend or transfer such funds as appropriated pursuant to this authorization that are necessary to ensure the orderly transition of responsibility to the Institute of Museum and Library Services pursuant to the Library Services and Technology Act, and in no event be less than \$200,000."